

# SUSTAINABILITY STATEMENT

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# SUSTAINABILITY STATEMENT

## FUELLING PROGRESS THROUGH SUSTAINABLE GROWTH

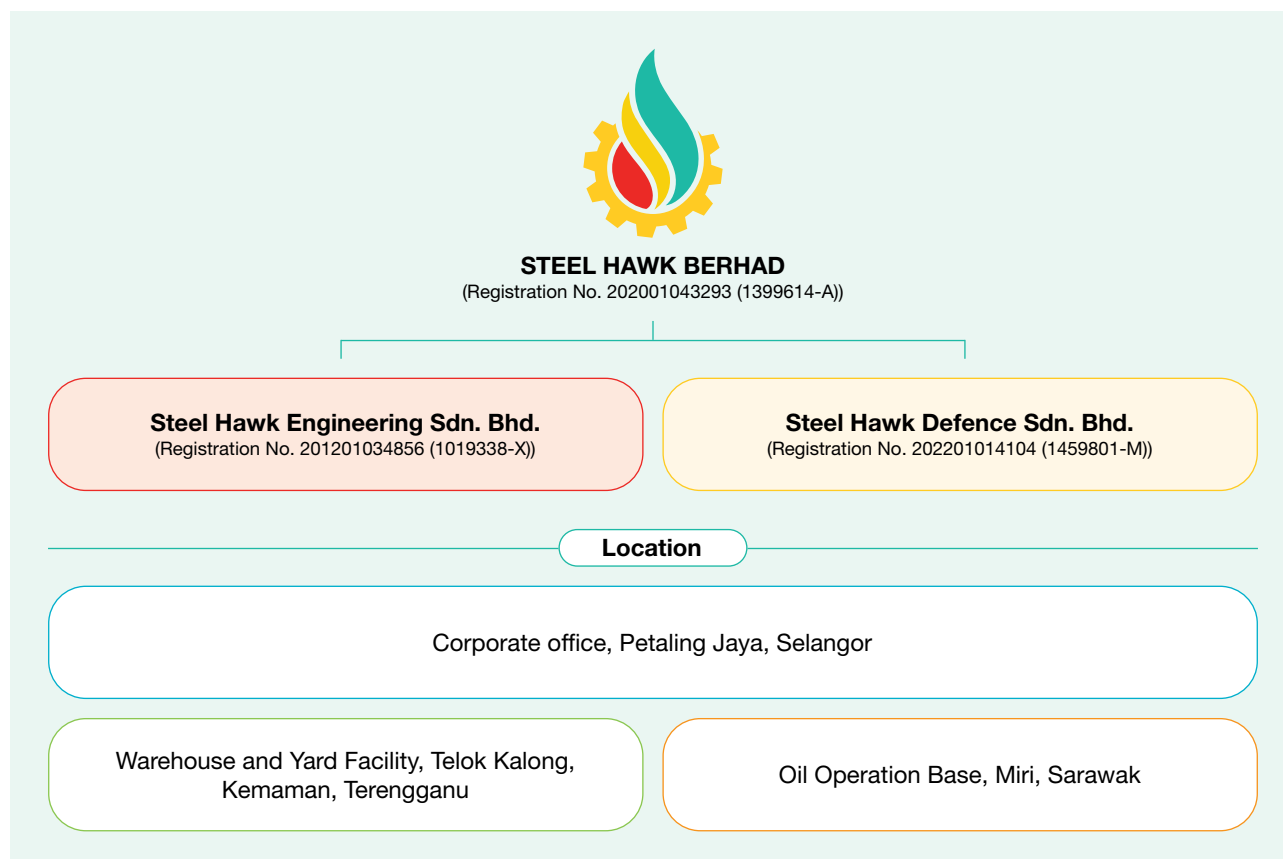
Steel Hawk remains steadfast in our commitment to responsible business practices, strategically integrating environmental, social and governance (“ESG”) considerations into our core business strategy. Our 2024 sustainability statement outlines the guiding principles of our operations and highlights our progress towards our sustainability aspirations as a technical and engineering service provider in the oil and gas (“O&G”) sector.

We strengthened our climate-related disclosure this financial year, transitioning from the Taskforce on Climate-related Financial Disclosures (“TCFD”) framework to incorporate elements of the International Financial Reporting Standards (“IFRS”) S2 guidelines. The Group also enhanced our emissions reporting by expanding Scope 3 disclosures to include Category 6: Business Travel, further advancing our progress towards net-zero.

Steel Hawk’s growth is driven by our people, and we invest in their development through learning programmes, empowering them to enhance their skills, advance their careers and drive workplace innovation. Building on this foundation, we promote a culture of integrity by providing training on Anti-Bribery Management System (“ABMS”) awareness and implementation. We ensure ethical values are embedded in our onboarding process, aligning new hires with our integrity standards.

### Outlining Our Reporting Scope and Boundary

All disclosures presented in this statement cover our business activities and operations from January 1, 2024 to December 31, 2024 (“FY2024”). Disclosures include data from our corporate office and two other operating locations across Malaysia. Historical data from the past three years were included to facilitate trend analysis and comparative assessments.



## SUSTAINABILITY STATEMENT

### FUELLING PROGRESS THROUGH SUSTAINABLE GROWTH (CONT'D)

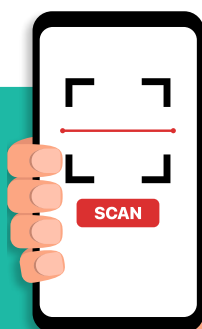
#### Reporting Framework and Guidelines

The Group prepared this statement in accordance with Bursa Malaysia's ACE Market Listing Requirements ("AMLR") and Bursa Malaysia's Sustainability Reporting Guide (3rd Edition). Our ESG disclosures are guided by the IFRS S2, the Global Reporting Initiative ("GRI") Standards and the UN SDGs.



#### Statement of Assurance

An independent limited assurance was performed by KPMG PLT on selected sustainability indicators for the financial year ended 31 December 2024. The boundary of the limited assurance engagement on the selected sustainability indicators covers Steel Hawk's operations including its subsidiaries. Refer to page 95 for the Independent Practitioners' Limited Assurance Report.



**SCAN ME**

Scan the QR to access our Limited Assurance Statement

#### Engage with Us

We highly value the insights and feedback from our stakeholders as part of our ongoing efforts to enhance sustainability reporting. Should you have any questions or suggestions regarding this statement or our reporting process, please feel free to contact us using the details provided below.

Address: 23-2, Block H, Jalan PJU  
1/37, Dataran Prima, 47301 Petaling  
Jaya, Selangor Darul Ehsan.  
Email: [contact@steelhawk.com.my](mailto:contact@steelhawk.com.my)  
General Line: +603 7880 7818  
General Fax: +603 7880 7535



## SUSTAINABILITY STATEMENT

### ACCOLADES AND MEMBERSHIPS

#### Awards and Recognition

The Group's dedication to sustainability has earned us prestigious awards and recognitions, inspiring us to further enhance our efforts and pursue greater achievements.



Gold Award in The Star ESG Positive Impact Award  
(Category: Governance, Reporting & Transparency)



HSE Hero and LPOC Zero award, Stop Work Authority  
2024 (reporting and intervention) from PETRONAS

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# SUSTAINABILITY STATEMENT

## FY2024 ESG HIGHLIGHTS

### Good Governance and Value Creation



**100%** of our operations have been assessed for corruption-related risks



**Zero** substantiated cases of corruption



**Zero** substantiated security breaches involving customer privacy or losses of customer data

### Environmental Stewardship



**0.3%** reduction in Group-wide energy intensity as compared to FY2023



Commencement of **Scope 3 GHG emissions disclosure** (Category 6 - Business Travel)

### Social Responsibility



**33%** women representation on the Board of Directors



**Zero** substantiated cases of human rights violation and incidents of discrimination



**RM 82,500** invested in Corporate Social Responsibility (“CSR”) programmes

## SUSTAINABILITY STATEMENT

### BUILDING MOMENTUM FOR SUSTAINABLE GROWTH

From the outset of our journey, we consistently focused on enhancing our ESG performance, achieving several milestones towards our targets. Moving forward, we will continue to bolster our efforts to generate lasting, positive value for all stakeholders.

FY2022	FY2023	FY2024	
<ul style="list-style-type: none"> <li>Published the inaugural sustainability statement in alignment with the Bursa Malaysia Sustainability Reporting Guide (3rd Edition)</li> <li>Established the ESG Framework</li> <li>Established a Sustainability Governance Structure, including the Sustainability Committee ("SC")</li> <li>Established the Sustainability Policy, focused on the environment, social, and governance aspects of our business</li> <li>Identified 6 stakeholder groups: Shareholders and Investors, Government and Regulators, Customers, Suppliers and Contractors, Employees, and Local Communities</li> <li>Identified 9 common material sustainability matters, and conducted the inaugural materiality assessment</li> <li>Adopted 4 UN SDGs: SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation and Infrastructure), SDG 13 (Climate Action) and SDG 16 (Peace, Justice and Strong Institution)</li> </ul>	<ul style="list-style-type: none"> <li>Established the Terms of Reference ("TOR") for the Sustainability Governance Structure</li> <li>Conducted a materiality reassessment and included common material sustainability matters (Waste Management and Emissions)</li> <li>Adopted UN SDG 5 (Gender Equality)</li> <li>Included the TCFD Transition Plan</li> <li>Conducted the inaugural corruption-related risk assessment of our operations</li> <li>Disclosed total training hours by employee category and total water consumption</li> </ul>	<ul style="list-style-type: none"> <li>Expanded Greenhouse Gas ("GHG") Emissions Reporting to include Scope 3 emissions, covering business travel</li> <li>Aligned our Climate-Related Disclosures with IFRS S2</li> <li>Established the Supplier ESG Checklist</li> <li>Enhanced our ESG Strategy to include strategic thrusts</li> </ul>	<div>Governance</div> <div>Financial Statements</div> <div>Other Information</div>

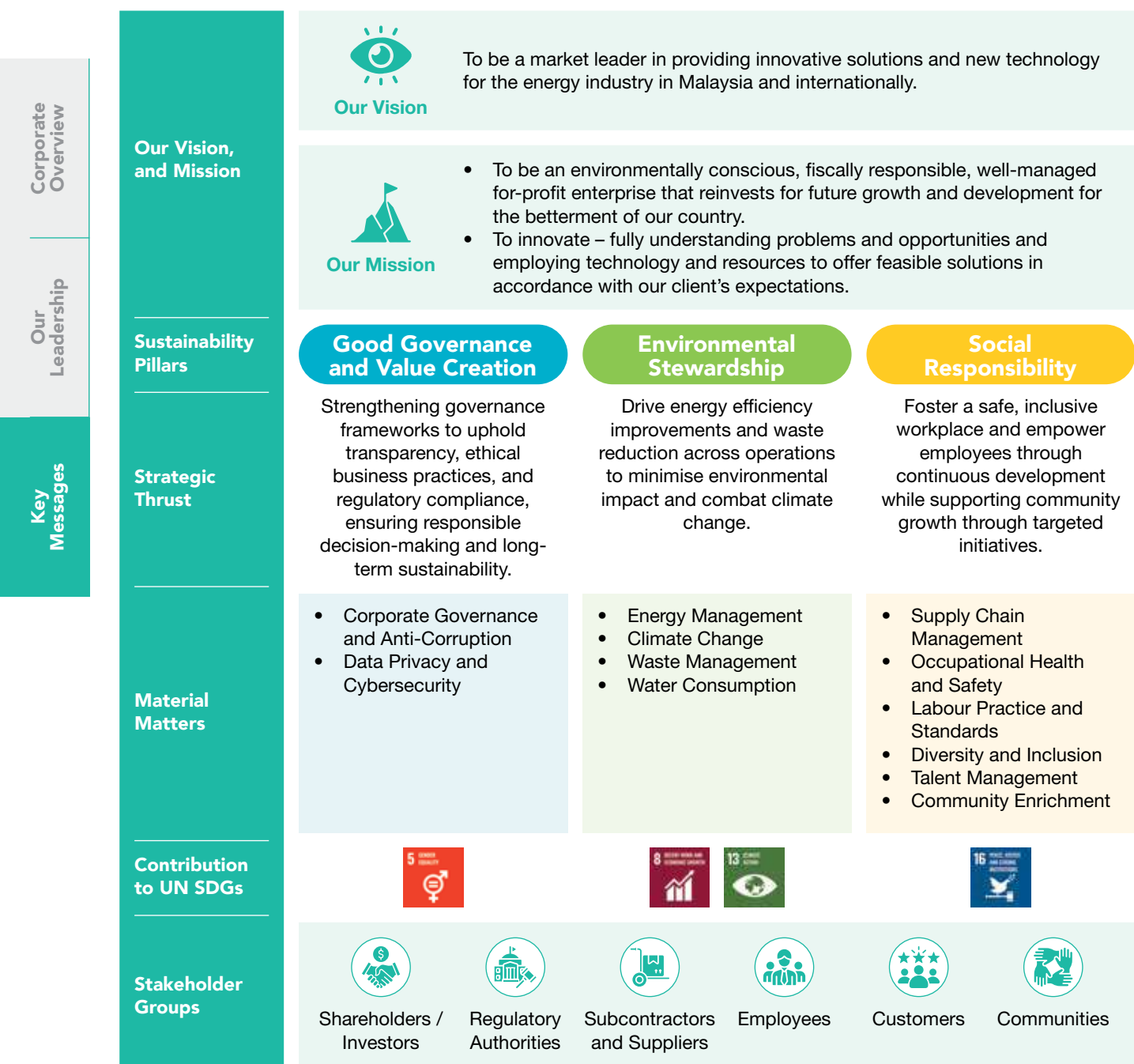


## SUSTAINABILITY STATEMENT

### STEEL HAWK'S APPROACH TO SUSTAINABILITY

#### ESG Strategy

Our Sustainability Strategy sets a systematic approach to integrating ESG factors into our business strategy. Centred on three key pillars and driven by strategic thrusts aligned with our adopted UN SDGs and material matters, this strategy facilitates informed decision-making that addresses ESG risks and capitalises on opportunities. Established in FY2024, our strategic thrusts serve as key drivers for implementing material matters, enabling us to achieve our defined objectives.



## SUSTAINABILITY STATEMENT

### STEEL HAWK'S APPROACH TO SUSTAINABILITY (CONT'D)

#### Our Sustainability Policy

The Group's sustainability policy outlines our sustainability principles, enabling us to integrate ESG considerations into our operations that promote responsible economic growth and minimise environmental impact.

#### Good Governance and Value Creation

- Implementation of the highest standards of corporate governance procedures with an emphasis on transparency to maintain the trust and confidence of our stakeholders.
- We achieve this by fostering a culture of ethical business conduct across our operations and implementing stringent measures to ensure all applicable laws and regulations are complied with.



#### Environmental Stewardship



- Acknowledgement of the environmental impacts contributing to climate change that could emerge from the industry we operate in and the effects associated with the phenomenon, such as global warming and erratic weather patterns.
- We are committed to managing our resources efficiently, minimising our carbon footprint, and implementing the best waste management practises.

#### Social Responsibility

- Treating our workforce with respect and dignity by aligning with both local and international standards.
- We also uphold human rights by having zero tolerance for the use of forced labour or child labour in our supply chain. Due to the nature of our operations, providing a fair, safe, and healthy working environment remains our utmost priority.









## SUSTAINABILITY STATEMENT

### STEEL HAWK'S APPROACH TO SUSTAINABILITY (CONT'D)

#### Our Contributions to Global Sustainable Progress

The 17 UN SDGs represent a collective agenda to addressing global challenges and achieving a sustainable future. Steel Hawk remains committed to adopting the four goals most relevant to our technical and engineering service operations, ensuring our continued contribution to global sustainable development.

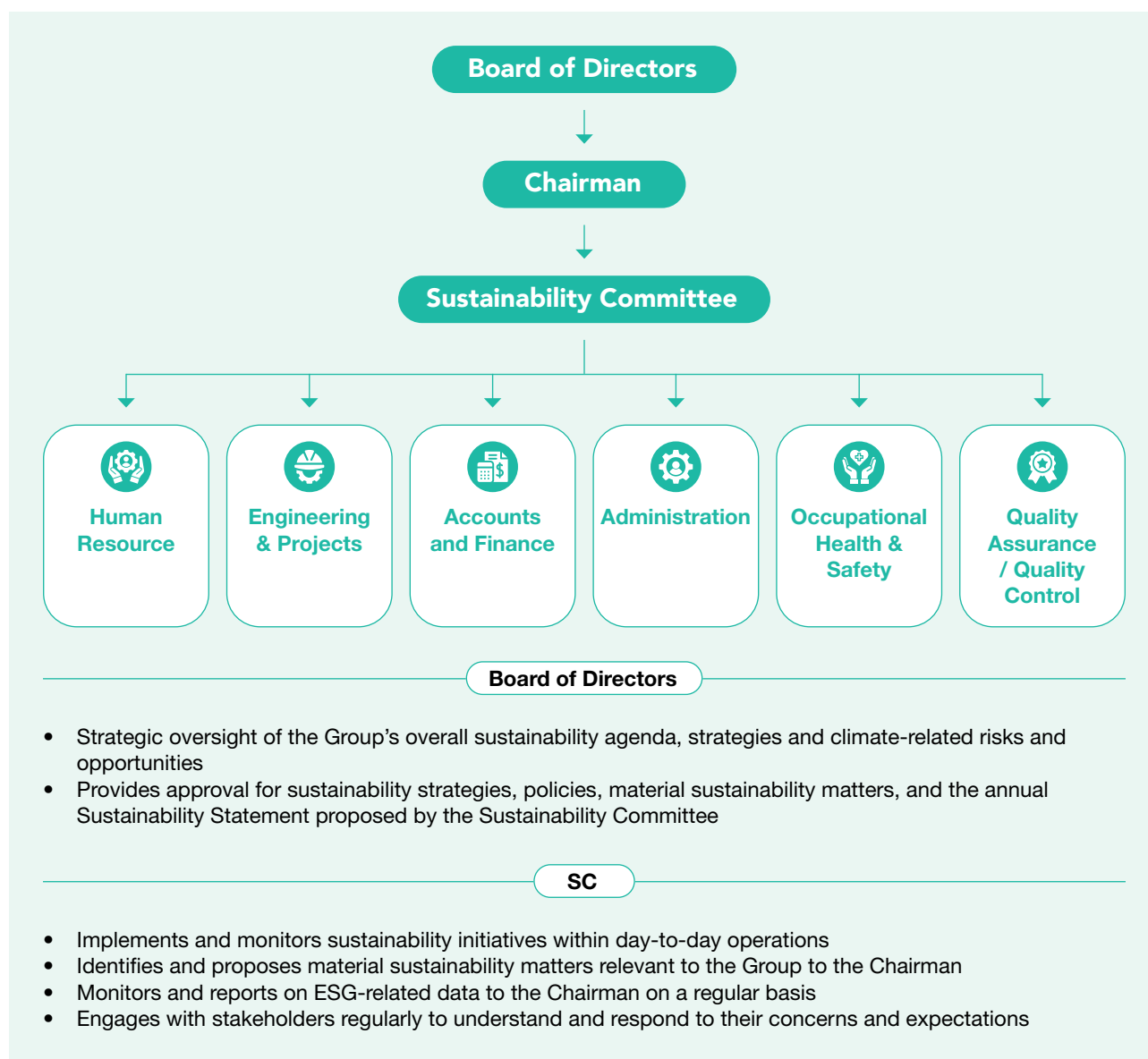
	SDG	Target	Our Actions
Corporate Overview Our Leadership Key Messages		<b>Target 5.5:</b> Ensure women's full and effective participation for leadership	<ul style="list-style-type: none"> <li>Achieved 33% women representation on the Board</li> <li>Maintained non-discriminatory hiring practices, ensuring fair and equal opportunities for all, regardless of gender</li> </ul>
		<b>Target 8.3:</b> Promote decent job creation and entrepreneurship  <b>Target 8.8:</b> Protect labour rights and promote a safe, secure working environment	<ul style="list-style-type: none"> <li>The Group provides training on various topics for our employees, encouraging professional development</li> <li>Prioritised sourcing from local suppliers to drive economic growth</li> </ul>
		<b>Target 13.2:</b> Integrate climate change measures into policies, strategies and planning	<ul style="list-style-type: none"> <li>Detailed our Labour and Human Rights Policy in our Employee Handbook which is communicated during the onboarding process</li> <li>Established a Health and Safety Policy to promote a safe working environment for all employees</li> </ul>
		<b>Target 16.5:</b> Substantially reduce corruption and bribery	<ul style="list-style-type: none"> <li>Established the Anti-Bribery and Corruption Policy, Whistleblowing Policy and Code of Ethics and Conduct to uphold ethical business standards</li> </ul>

## SUSTAINABILITY STATEMENT

### STEEL HAWK'S APPROACH TO SUSTAINABILITY (CONT'D)

#### The Foundations of Ethical Governance

Our sustainability governance structure defines the roles and responsibilities of our Board of Directors ("the Board") and Sustainability Committee ("SC"), ensuring accountability and effective implementation of sustainable policies, procedures and initiatives.



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## STEEL HAWK’S APPROACH TO SUSTAINABILITY (CONT’D)

### Measuring Our ESG Performance

Steel Hawk’s Sustainability Key Performance Indicators (“KPIs”) offer measurable metrics to track our progress towards our ESG goals. Monitoring these metrics facilitates the assessment of our initiatives’ effectiveness, allowing us to identify improvement areas and drive performance enhancements. The following is a summary of our KPI progression in comparison to our 2023 targets.

Material Matters	KPIs	Performance	
		FY2023	FY2024
Good Governance			
Corporate Governance and Anti-Corruption	Achieve <b>zero</b> reported incidents of bribery and corruption annually	<div></div>	<div></div>
	Achieve <b>zero</b> reported grievances or whistle-blowing complaints to the Group annually	<div></div>	<div></div>
Environmental Stewardship			
Energy Management and Climate Change	Establish the baseline year for Scope 1 GHG emission by <b>FY2025</b>	<div></div>	<div></div>
	Establish the baseline year for Scope 2 GHG emission by <b>FY2025</b>	<div></div>	<div></div>
Waste Management	Establish the baseline year for waste reduction targets by <b>FY2025</b>	-	<div></div>
Social Responsibility			
Supply Chain Management	Maintain local procurement rate of 90%	95%	96%
Occupational Health and Safety	Achieve <b>zero</b> cases of serious accidents annually	<div></div>	<div></div>
	Maintain <b>zero</b> fatalities throughout the reporting period	<div></div>	<div></div>
Labour Practices and Standards	Achieve <b>zero</b> substantiated complaints of human rights violations	<div></div>	<div></div>

- Achieved
- In-progress

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Key Messages

# SUSTAINABILITY STATEMENT

## CONNECTING WITH OUR STAKEHOLDERS

Consistently engaging our stakeholders enables us to enhance our understanding of their prioritised issues, expectations of Steel Hawk, and the evolving business trends in the O&G sector. Integrating their perspectives refine our decision-making processes, allowing us to cultivate mutually beneficial relationships that drive long-term value generation.

### Shareholders / Investors

#### Why We Engage

Shareholders and investors provide capital, influence market confidence, and drive long-term growth. Frequent communication with our investors allows us to cater to their requirements and align them with our business strategy. This ongoing dialogue fosters the cultivation of trust and credibility, forming the foundation for mutually beneficial and enduring partnerships.

#### Areas of Concern

- Risk management and business strategy
- Corporate governance
- Climate change awareness and strategies
- Audit Committee report
- Financial performance
- ESG initiatives

#### Our Responses

- Identified potential risks via the Enterprise Risk Management Framework
- Established robust governance-related policies such as Whistle-blowing Policy, Anti-Bribery and Corruption Policy, and Integrity Policy
- Implemented a comprehensive corporate governance structure
- Included climate-related risks and strategies
- Improved communication and transparency through accurate reporting

#### Engagement Channel

##### Annually

- Annual General Meetings

##### As needed

- Investor briefings
- Extraordinary General Meetings
- Bursa Malaysia announcements
- Media Releases

### Regulatory Authorities

#### Why We Engage

Regulatory authorities establish and enforce the national laws and regulations that set the parameters of our business activities. They monitor compliance with these legal and regulatory stipulations. To maintain the highest ethical standards, we proactively monitor changes in regulatory laws and standards, ensuring strict regulatory compliance to avoid potential breaches.

#### Areas of Concern

- Labour practices
- Anti-corruption practices
- Security issues
- Legal compliance
- Environmental Management

#### Our Responses

- Established policies to ensure compliance with relevant legislation and regulatory requirements
- Ensured the relevant legal registers are updated
- Established proper certification / licence SOPs to maintain and obtain certifications such as ISO from accredited bodies

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## CONNECTING WITH OUR STAKEHOLDERS (CONT'D)

### Customers

#### Why We Engage

Customers are integral to Steel Hawk Berhad's economic success, as their engagement with our services drives growth. Their satisfaction enhances loyalty, strengthens long-term relationships, and bolsters our brand reputation—key factors in sustaining revenue and fostering enduring business partnerships. Their feedback provides valuable insights, enabling us to better understand and meet their evolving needs.

#### Areas of Concern

- The Group's reputation
- Customer relationship management
- Timely completion of project and service
- Service quality and reliability

#### Our Responses

- Conducted quality assurance evaluation
- Conducted customer experience survey
- Engaged with customers to get feedback and measure satisfaction
- Improved services, addressed feedback promptly, and offered innovative solutions aligned with customer needs

#### Engagement Channel

##### Annually

- Annual e-mail and report submission

##### As needed

- Site Visits and Inspections
- Conference and seminars to keep abreast of latest developments of requirements

### Suppliers and Subcontractors

#### Why We Engage

Our suppliers and subcontractors provide the goods and services essential for Steel Hawk to deliver high-quality services. We actively nurture strong and enduring business partnerships through ongoing engagement and collaboration, cultivating relationships that promote mutual business success and foster sustainability across our entire value chain.

#### Areas of Concern

- Fair contract terms
- Negotiable payment terms
- Company reputation
- Product quality and inventory
- Adherence to ethical standards

#### Our Responses

- Fostered collaborative relationships
- Upheld ethical procurement practices and ensure compliance with company standards
- Ensured fair and transparent transactions
- Digitalised site checklists and inspections

#### Engagement Channel

##### Annually

- Supplier evaluation
- Due Diligence checklist
- Third-party declarations

##### As needed

- Physical, virtual and phone calls

## SUSTAINABILITY STATEMENT

### CONNECTING WITH OUR STAKEHOLDERS (CONT'D)

#### Employees

##### Why We Engage

Our workforce is essential to Steel Hawk's success, leveraging their knowledge and expertise to drive operational efficiency. Their well-being and satisfaction lead to improved work quality and creativity, allowing us to deliver service excellence.

##### Areas of Concern

- Employee well-being
- Labour and human rights concern
- Health and safety
- Training and development
- Career development

##### Our Responses

- Prioritised safety and well-being
- Implemented flexible working arrangements
- Provided training programmes to support career growth

##### Engagement Channel

###### Annually

- Townhall
- Performance appraisal

###### As needed

- Training programmes
- Corporate and community activities

#### Communities

##### Why We Engage

Active participation and collaboration within the community facilitate social cohesion and stronger social connections. These are fundamental to securing Steel Hawk's social licence to operate by aligning our operations with local values and strengthening our relationship with the community.

##### Areas of Concern

- Providing support to the underserved
- Community engagement
- Employee volunteering

##### Our Responses

- Implemented corporate social responsibility programmes
- Implemented incentives to encourage a culture of volunteerism among our employees

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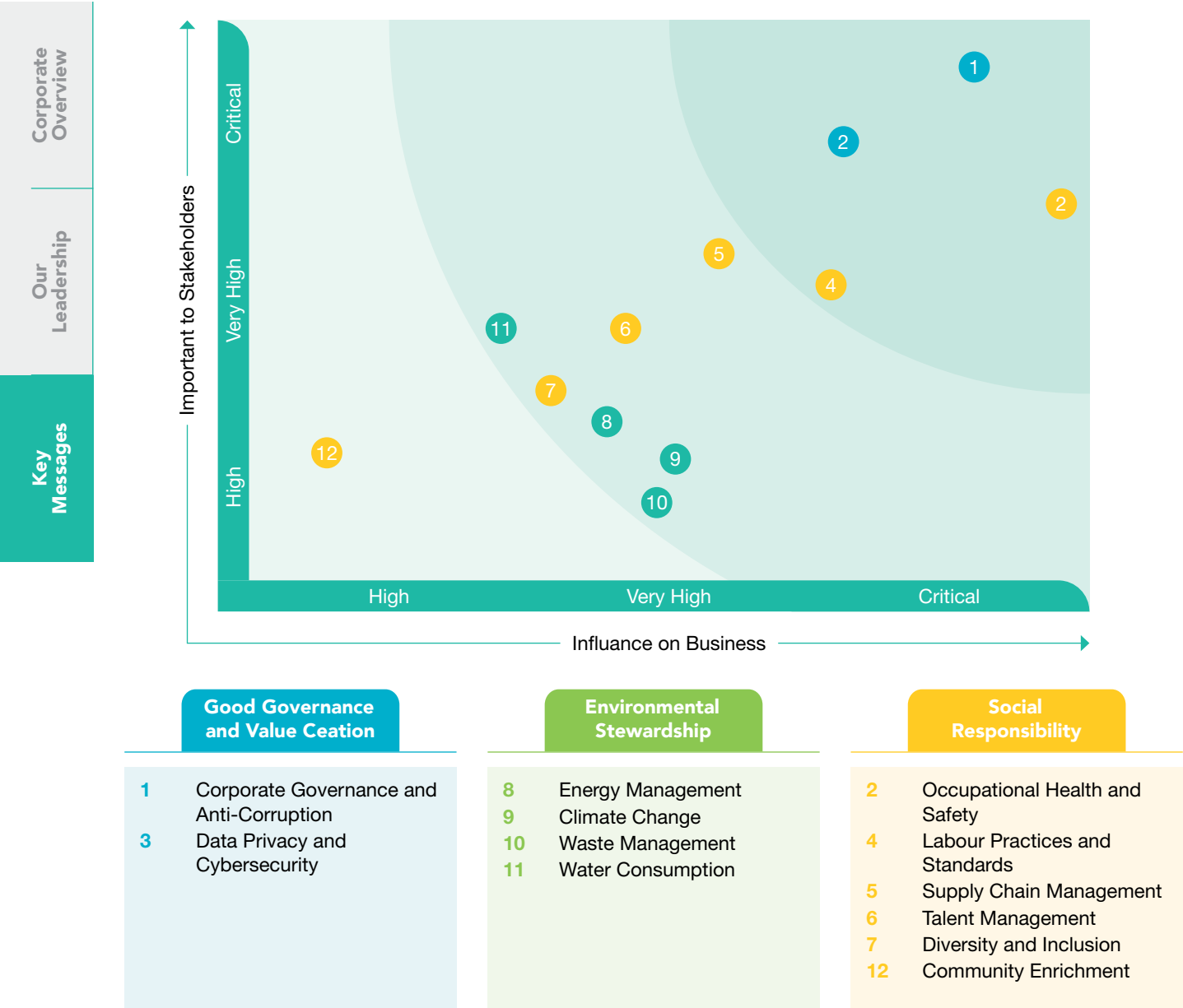


# SUSTAINABILITY STATEMENT

## MATERIALITY ASSESSMENT

Materiality assessments are valuable tools for identifying the issues most significant to our stakeholders and operations. These insights guide the development of ESG-focused strategies and enable effective resource allocation, allowing us to address critical priorities in line with our sustainability objectives.

Following the materiality reassessment conducted in FY2023, we identified 12 material sustainability matters and developed a corresponding materiality matrix. These material matters and the matrix will be retained for FY2024 as they continue to hold relevance in our current operations and business context. The top four material matters are Corporate Governance and Anti-Corruption, Occupational Health and Safety, Data Privacy and Cybersecurity, and Labour Practices and Standards.























## SUSTAINABILITY STATEMENT

### MATERIALITY ASSESSMENT (CONT'D)

#### Defining Our Strategic Focus Areas

We aligned our material sustainability matters with the relevant stakeholder groups, UN SDGs and GRI indicators to showcase the interconnectivity between each aspect of our sustainability efforts.

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
<b>Pillar: Good Governance and Value Creation</b>			
<b>Corporate Governance and Anti-Corruption</b>	Guided by a robust governance structure, we uphold high standards of integrity in our operations, implementing policies, codes and procedures to ensure ethical conduct at Steel Hawk and with all those we engage with.		
<b>Data and Customer Privacy</b>	We protect customers' data and privacy with established policies and procedures across our subsidiaries.		
<b>Pillar: Environmental Stewardship</b>			
<b>Energy Management</b>	The Group minimises emissions and costs by optimising fuel efficiency, adopting cleaner energy sources, and implementing real-time monitoring.	 	
<b>Climate change</b>	We mitigate our environmental impact and address climate change by managing energy consumption to reduce greenhouse gas ("GHG") emissions.	 	
<b>Water Consumption</b>	The Group strives to enhance water management across our operations through specific measures to manage consumption.		
<b>Waste Management</b>	The Group reduces our environmental footprint by managing waste disposal and reducing general waste generation.		
<b>Pillar: Social Responsibility</b>			
<b>Supply Chain Management</b>	We prioritise sourcing materials, equipment and services from local subcontractors and suppliers wherever possible, contributing to the local economy. We also procure high-quality materials from reputable suppliers.		
<b>Occupational Health and Safety</b>	The Group implements measures to protect employee health and safety by maintaining a safe and conducive working environment.		
<b>Labour Practices and Standards</b>	The Group upholds the rights of employees and the community by implementing policies and procedures that safeguard these rights across our subsidiaries.		

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## MATERIALITY ASSESSMENT (CONT'D)

### Defining Our Strategic Focus Areas (Cont'd)

Material Matters	Our Approach	UN SDGs	Stakeholder Groups
Pillar: Social Responsibility (Cont'd)			
Diversity and Inclusion	We ensure equal opportunities and engage with our workforce regardless of gender or social background.	 	 
Talent Management	We attract, develop, and retain skilled talent through continuous training, clear career pathways, and a strong safety culture.	 	  
Contribution to Society	The Group allocates resources to support various community initiatives aimed at alleviating the challenges faced by vulnerable groups and communities surrounding our operations.		  

## CLIMATE-RELATED DISCLOSURES

Climate change presents an emerging challenge with far-reaching impacts across industries and communities, particularly the O&G sector. Understanding these risks is crucial for adapting to climate-related challenges and developing strategies for a smooth transition to a low-carbon economy.

In FY2024, Steel Hawk transitioned from the Task Force on Climate-related Disclosures (“TCFD”) to the IFRS S2 Climate-related Disclosures, in alignment within the National Sustainability Reporting Framework (“NSRF”). Our climate disclosures are structured around the four core pillars of Governance, Strategy, Risk Management, and Metrics and Targets.

### Governance

The Board provides strategic oversight of climate-related risks and opportunities, supported by the SC in the evaluation and management of these matters.

#### Oversight and Management of Climate-Related Risks and Opportunities

##### Board's Oversight

- Oversees sustainability-related risks, including those linked to climate change
- Receives updates on sustainability and climate-related matters from the SC based on the Group's risk assessments

##### Management's Role

- The SC advises the Board on sustainability strategies, initiatives, and targets, including climate-related initiatives
- Oversees the implementation of sustainability initiatives, including those related to climate, and reports progress to the Board

## SUSTAINABILITY STATEMENT

### CLIMATE-RELATED DISCLOSURES (CONT'D)

#### Governance (Cont'd)

##### Strategy

As part of our low-carbon transition, we are committed to enhancing climate awareness, streamlining our strategic direction with the Group's Sustainability Policy and monitoring environmental impacts to address climate-related risks and opportunities. In FY2024, we continue tracking our Scope 1, 2 and 3 GHG emissions, aligning climate-related disclosures with regulations and established climate-related KPIs.

##### Management of Material Sustainability Matters

Our climate-related material sustainability matters include energy consumption, GHG emissions, water consumption and waste management. We have outlined our management approach for these matters, with performance details featured within the "Energy Management, Climate Change and Waste Management" sections.

##### Metrics and Targets

We identified Energy Management, Climate Change, and Waste Management as the three most material climate-related matters impacting our business. To evaluate our performance in these areas, we track and disclose the following metrics.

Metric	Unit	Description
Energy Usage	Gigajoules ("GJ")	Tracks total fuel and electricity consumption.
GHG Emissions	Tonnes of carbon dioxide equivalent ("tCO <sub>2</sub> e")	Measures total greenhouse gas ("GHG") emissions, including Scope 1, Scope 2 and limited Scope 3 (business travel GHG emissions).
Fuel Consumption	Litres ("L")	Measures the total amount of fuel used.
Electricity Consumption	Kilowatt-hours ("kWh")	Records the total electricity consumption.
Waste	Metric tonnes ("MT")	Quantifies the total amount of waste generated.

To support our sustainability goals, we have established annual KPIs aimed at reducing emissions and waste generation. These KPIs enable performance monitoring and regular evaluations to ensure continuous improvement and effective management of climate-related risks and opportunities.

- Establish a baseline year by FY2025
- Set Scope 1 and Scope 2 GHG emissions targets by FY2025

Details of our management approach and performance data can be found within the "Energy Management, Climate Change and Waste Management" sections.

## SUSTAINABILITY STATEMENT

### GOOD GOVERNANCE

Sustainable business operations are anchored on a foundation of strong governance. Conducting business with integrity and complying with relevant regulatory standards ensures we uphold high ethical standards throughout all aspects of our engineering service operations for the O&G sector.



### Material Sustainability Matters

Corporate Governance and Anti-Corruption

Data Privacy and Cybersecurity

### Sustainability Highlights in FY2024

- 100% of our operations have been assessed for corruption-related risks
- Zero substantiated cases of corruption for the past three years
- Zero incidents of major non-compliance with applicable laws and regulations
- Zero substantiated security breaches involving customer privacy or losses of customer data across the Group for the past three years

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### CORPORATE GOVERNANCE AND ANTI-CORRUPTION

Steel Hawk's zero-tolerance policy towards bribery and corruption strengthens corporate governance by fostering ethical decision-making and enhancing transparency and accountability, reinforcing stakeholder trust.

#### Corporate Governance

We have been a signatory of the Malaysian Anti-Corruption Commission's ("MACC") Corporate Integrity System Malaysia ("CISM") and the Corporate Integrity Pledge ("CIP") since FY2022. These harmonise our operations with established anti-corruption principles, strengthening our ability to effectively manage corruption risks.

Our quality management system is ISO 9001:2015 certified, and the Group is currently undergoing preparations for the internal and external audit process required for ISO 37001:2016 certification. As one of PETRONAS' primary service providers, we stringently comply with the PETRONAS Tenders & Contracts Administrative Manual, ensuring transparency and discouraging illicit activity within our operations.

#### Corporate Governance Policies

Anti-Bribery and Corruption Policy	Integrity Policy
Board Charter	Integrity Handbook
Labour and Human Rights Policy	Gender Diversity Policy
Code of Behaviour and Ethics	Remuneration Policy
Whistleblowing Policy	Stakeholder Communications Policy
Whistleblowing Procedure	

#### Anti-Bribery and Corruption

In FY2024, in collaboration with the MACC, we conducted an event: The Anti-Corruption Forum featuring speakers from the MACC and Steel Hawk, followed by a Majlis Lafaz Ikrar (Pledge Ceremony) witnessed by a MACC officer. This event highlighted the importance of integrity and anti-corruption practices within the Group's operations.

To further embed integrity within our workforce, we provided Anti-Bribery Management System ("ABMS") awareness and implementation training sessions for our employees. New hires receive documents outlining Steel Hawk's ethical values during onboarding and are required to acknowledge them, ensuring compliance with the Group's integrity values.



Anti-Corruption Forum and Majlis Lafaz Ikrar

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CORPORATE GOVERNANCE AND ANTI-CORRUPTION (CONT'D)

Anti-Bribery and Corruption (Cont'd)

Ethical Guidelines

Employee Handbook

ABAC Manual

Integrity Handbook

Code of Business Ethics



**ZERO** substantiated  
cases of corruption for  
the past three years

Percentage of Employees that Received Anti-Corruption Training by Employee Category

Employee Category	FY2023	FY2024
Management	0%	57%
Executive	3%	80%
Non-Executive / Technical	0%	62%

A corruption risk assessment is conducted on an annual basis to identify and mitigate potential risks within our business activities. In FY2024, we achieved 100% risk assessment coverage across our operations, maintaining this standard for the second consecutive year.

	FY2023	FY2024
Percentage of operations assessed for corruption related risks	100%	100%

Regulatory Compliance

Steel Hawk maintains operational integrity across our supply chain, adhering to the latest regulatory requirements through a robust compliance system and internal risk management procedures.

Relevant Laws and Regulations

Companies Act, 2016	Minimum Wages Order, 2018 and its Amendments
National Wages Consultative Council Act, 2011	Personal Data Protection Act, 2010
Employee Act, 1955	Occupational Safety and Health, 1974
Petroleum and Safety Act, 1984	Factories and Machineries Act, 1965
Industrial Relations Act, 1997	Environmental Quality Act, 1974 and its Amendments
Children and Young Persons (Employment) Act, 1996	Construction Industry Development Board Act, 1994
Local Government Act, 1976	

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### CORPORATE GOVERNANCE AND ANTI-CORRUPTION (CONT'D)

#### Regulatory Compliance (Cont'd)

Our compliance efforts to uphold ethical governance across our operations is accredited by the following certifications.

##### Permits, Licences and other Certificates

ISO 9001:2015 Quality Management System	ISO 45001:2018 Occupational Health and Safety Management System
PETRONAS Approved License	Construction Industry and Development Board ("CIDB") Certificate of Registration
Certificate of Government Procurement Works – Grade G7	Ministry of Finance ("MoF") Certificate of Registration
Department of Occupational Safety and Health ("DOSH") Approved Registration Certificate	DOSH Registration Certification for Competent Firm (Petroleum Contractor)
Certificate of Bumiputera Status and Registration by MoF, Ministry of Investment, Trade and Industry ("MITI") and Ministry of Entrepreneur and Cooperatives Development ("MECD")	



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### DATA PRIVACY AND CYBERSECURITY










As digitalisation transforms Steel Hawk's corporate operations, this adoption of digital technologies has heightened our exposure to data privacy and cybersecurity risks. Stringent cybersecurity measures are therefore a strategic priority to protect sensitive information, ensure regulatory compliance, foster customer trust and maintain business continuity.

Our data privacy measures, guided by the Personal Data Protection Act ("PDPA") 2010, govern the collection, utilisation and maintenance of personal data. We foster cybersecurity awareness among employees, ensuring they understand their roles in safeguarding sensitive information and enhancing vigilance. Complementing this initiative, we implemented various security measures to protect our data and systems, enabling us to maintain data integrity and confidentiality.

# SUSTAINABILITY STATEMENT

- Good Governance
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## DATA PRIVACY AND CYBERSECURITY (CONT'D)

Steel Hawk's Cybersecurity Measures		
Corporate Overview Our Leadership Key Messages		Data Access and User Authentication
	Users are assigned unique IDs and passwords to prevent unauthorised access and ensure secure user authentication.	
		Storage and Backup
	Employees are provided with 1 terabyte ("TB") of cloud storage to facilitate secure file sharing and business document backups. Data is backed up on a monthly basis.	
		Licensed Software
	Only officially licensed software is utilised for all business transaction and operations in compliance with legal and regulatory standards.	
		Preventive Maintenance
	IT-related operations are serviced annually to safeguard against potential data breaches and ensure system reliability.	
		Incident Reporting
	Employees are required to report suspected incidents of data breaches or comprised passwords to the IT supervisor.	
		Incident Management
	The IT supervisor is responsible for investigating and resolving reported issues by assessing the impact, identifying the source and implementing corrective actions to mitigate breaches.	
		Response to Data Loss / Theft
	In the event of device loss or theft, employees must immediately inform the IT supervisor. Depending on the nature of the incident, access credentials will be promptly updated to prevent unauthorised access.	
		Safeguarding Data Loss
	Implemented an intrusion prevention system that includes anti-malware and data loss prevention ("DP") capabilities to curb cybersecurity attacks.	
		Complaint Resolution
Data privacy breach complaints are systematically logged, and the supervisor ensures they are addressed in a timely manner.		



**ZERO** substantiated security breaches involving customer privacy or losses of customer data across the Group for the past three years



## SUSTAINABILITY STATEMENT

### ENVIRONMENTAL STEWARDSHIP

The National Oil and Gas Service Equipment (“OGSE”) Industry Blueprint serves as Steel Hawk’s guide in transitioning towards environmentally responsible practices, aligning our efforts with national development agendas such as the Shared Prosperity Vision 2030 and the 12th Malaysia Plan. Our initiatives focus on optimising operations to conserve natural resources and reduce our environmental footprint.



#### Material Sustainability Matters

> Energy Management

> Climate Change

> Waste Management

> Water Consumption

#### Sustainability Highlights in FY2024

- 0.3% reduction in Group-wide energy intensity as compared to FY2023
- Commencement of Scope 3 GHG emissions disclosure (Category 6 - Business Travel)

# SUSTAINABILITY STATEMENT

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## ENERGY MANAGEMENT


Given the substantial energy demands of our oil and gas engineering services, Steel Hawk prioritises effective energy management. Streamlining our performance reduces costs, minimises carbon emissions and mitigates our environmental impact, ensuring compliance with emissions regulations.

### Energy Saving Initiatives

Corporate Overview


Our Leadership

Key Messages




**Light Emitting Diode ("LED") Lighting**

Steel Hawk has replaced our end-of-service-life traditional lighting with LED lighting across our operations. These bulbs are longer-lasting, utilise less energy and contribute to cost savings through lower electricity bills.



**Machinery Upgrade**

Upgraded machinery to energy-efficient models, reducing operational energy consumption by 15%. This includes upgrading our handheld grinders to have paddle-switch, for auto on / off function.



**Energy Savings Awareness Programme**

Initiated an employee awareness programme to promote energy conservation habits. Employees are encouraged to adopt habits such as switching off electrical appliances during non-operational hours or when not in use.

### Energy Consumption

In FY2024, the Group's total energy consumption amounted to 1,741 GJ. Although there was an increase in overall energy consumption, the energy intensity declined marginally by 0.3% during the reporting year to 22.20 GJ/RM million revenue, compared to 22.26 GJ/RM million revenue in FY2023. This reduction was primarily driven by an increase in the number of active projects, which correlated with higher revenue. The Group's energy consumption is largely attributed to fuel usage for company-owned vehicles and purchased electricity. During the year, we consumed 24,269 litres of diesel for two lorries, seven pickup trucks, and forklifts, alongside 16,414 litres of petrol for our eight company-owned cars.

Our total electricity consumption totalled 92 MWh across our three locations, marking a 26% increase from FY2023 (73 MWh). This increase was due to a higher number of active projects undertaken at our Teluk Kalong Warehouse and Yard facility this reporting year. Additionally, the relocation of our Miri Operation Base from a smaller office to a larger facility contributed to the increased electricity usage.

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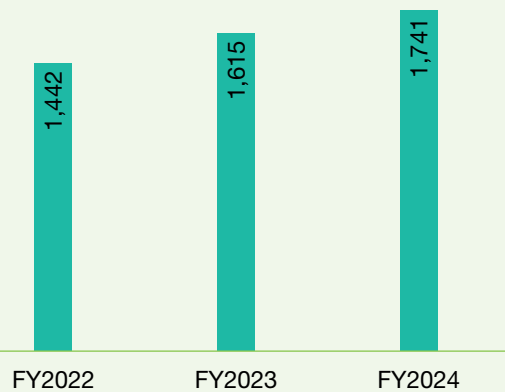
Environmental  
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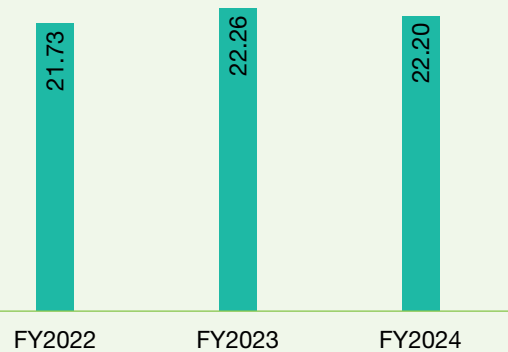
### ENERGY MANAGEMENT (CONT'D)

#### Energy Saving Initiatives (Cont'd)

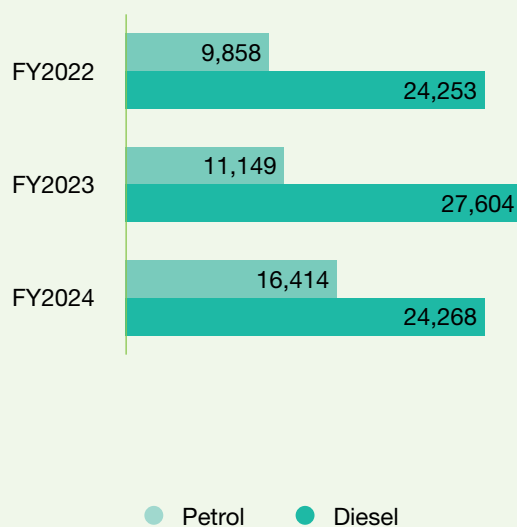
##### Energy Consumption (GJ)



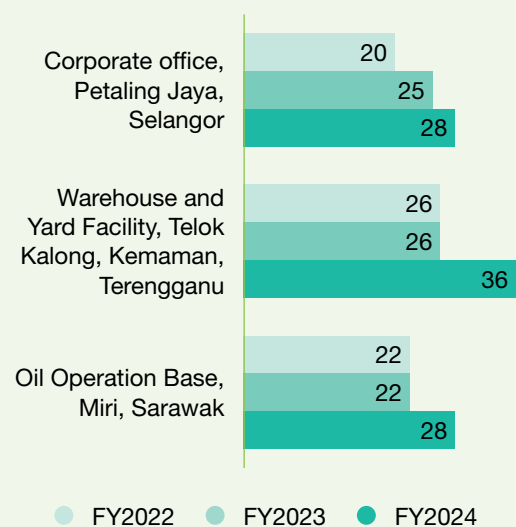
##### Energy Intensity (GJ/RM mil in Revenue)



##### Fuel Consumption (Litre)



##### Electricity Consumption (MWh)



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# SUSTAINABILITY STATEMENT

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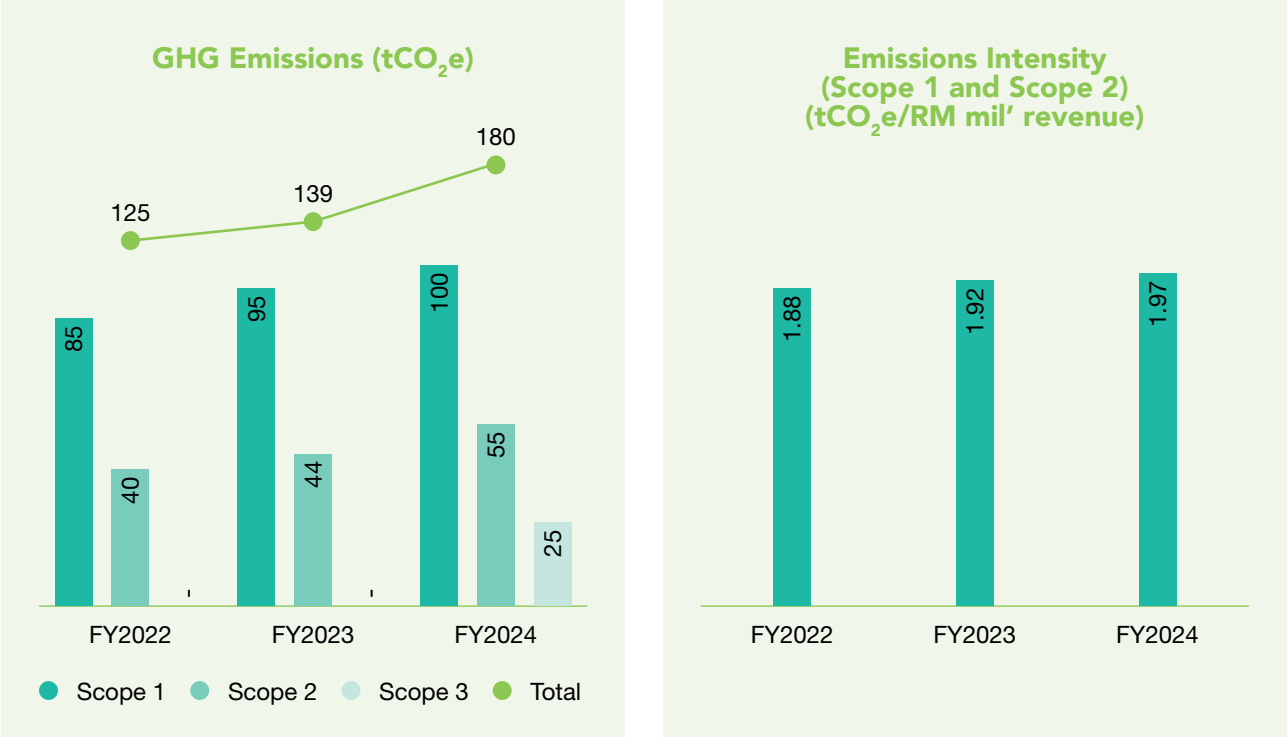
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## CLIMATE CHANGE

### GHG Emissions

Steel Hawk’s total GHG emissions amounted to 180 tCO<sub>2</sub>e in FY2024. The commencement of Scope 3 emissions reporting this year from business travel resulted in a higher total compared to FY2023.



- Note:
- Scope 1 GHG emissions for mobile combustion (fuel consumption for Company-owned vehicle) are calculated following the GHG Protocol Scope 1 Guidance, with emission factors derived from the UK Government’s GHG Conversion Factors for FY2022, FY2023 and FY2024.
  - Scope 2 GHG emissions for purchased electricity (location based) are calculated using the location-based approach, in accordance with the GHG Protocol Scope 2 Guidance. The emission factors are derived from the 2022 Grid Emission Factors provided by Grid Malaysia, specifically for Peninsular Malaysia and Sarawak.
  - Scope 3 GHG emissions for business travel is calculated using the distance based method as outlined by the GHG Protocol Scope 3 Guidance, with emission factors derived from the UK Government’s GHG Conversion Factors for 2024.

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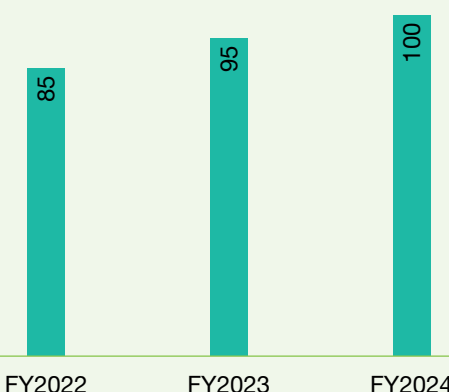
## CLIMATE CHANGE (CONT'D)

### GHG Emissions (Cont'd)

#### Scope 1 GHG Emissions

Scope 1 GHG emissions from mobile combustion encompass petrol and diesel fuel consumed by company-owned vehicles across our operations. In FY2024, our Scope 1 GHG emissions increased by 5% due to increased number of projects.

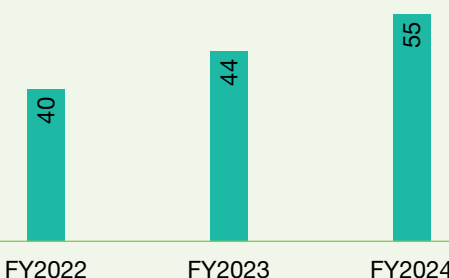
#### Scope 1 GHG Emissions (tCO<sub>2</sub>e)



#### Scope 2 GHG Emissions

Scope 2 GHG emissions (location-based) are derived from indirect emissions from purchased electricity utilised in our operations. Steel Hawk's total Scope 2 GHG emissions for FY2024 amounted to 55 tCO<sub>2</sub>e from all three of our operating locations.

#### Scope 2 GHG Emissions (tCO<sub>2</sub>e)



#### Scope 3 GHG Emissions

In FY2024, we commenced monitoring our Scope 3 GHG emissions from business travel, encompassing both air and land transport, which totalled 25 tCO<sub>2</sub>e.

Note: The sustainability indicators for Scope 3 GHG emissions have not been subjected to an assurance process in 2024. The Group aims to achieve comprehensive recording and reporting for the Sustainability Statement for the Financial Year Ending 31 December 2025.

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## WASTE MANAGEMENT

Effective waste management initiatives reduce resource consumption and mitigate pollution risks to local ecosystems, making them a core aspect of the Group’s environmental sustainability efforts. Steel Hawk is committed to responsible waste disposal practices, reinforcing our corporate responsibility while ensuring compliance with regulatory standards.

We are compliant with the Environmental Quality Act, 1974 and its Amendments, as administered by the Department of Environment (“DOE”), ensuring the responsible collection, transportation and disposal of scheduled and unscheduled wastes.

### Total Waste

Waste generated by our operations is classified as either scheduled or non-scheduled waste. In FY2024, we initiated tracking of scheduled waste. Consequently, our total waste generation figures now encompass both scheduled and non-scheduled waste, resulting in a comparatively higher total waste generation figure than in previous years.

	FY2022	FY2023	FY2024
Total Waste Generated (MT)	0.67	0.64	1.13
Scheduled Waste (MT)	-	-	0.35
Non-Scheduled Waste (MT)	0.671	0.642	0.782
Total Waste Diverted from Landfill (MT)	-	-	0.10
Total Waste Directed to Landfill (MT)	0.67	0.64	1.04

Note: Data for Scheduled Waste generated and Total Waste Diverted from Landfills are only included from FY2024 onwards.

The sustainability indicators for waste management have not been subjected to an assurance process in 2024. The Group aims to achieve comprehensive recording and reporting for the Sustainability Statement for the Financial Year Ending 31 December 2025.

### Scheduled Waste

Scheduled waste, generated only at our Telok Kalong, Kemaman, Terengganu warehouse and yard facility, is stored in a designated area labelled with required codes and hazard symbols to mitigate pollution risks and ensure safe handling.

Our scheduled waste storage inventory is regularly updated on the DOE’s Electronic Scheduled Waste Information System (“eSWIS”), and we engaged a DOE-certified waste collector to handle our scheduled waste, ensuring proper collection and disposal.

### Non-scheduled Waste

Non-scheduled waste at Steel Hawk consists primarily of office waste, including paper, plastics and food waste, generated across all three of our operations. We minimise this waste by integrating the 3R principles (Reduce, Reuse and Recycle) into our waste management strategy and providing designated recycling bins for domestic waste collection.

Our newly implemented Docusign software system has further reduced paper usage by digitising document approvals and streamlining administrative processes. Additionally, our E-Card system supports paper reduction while enhancing employee engagement, offering a personalised and eco-friendly way to celebrate employee milestones.

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### WATER CONSUMPTION

Steel Hawk enhances our water efficiency by implementing internal management guidelines, allowing us to optimise water usage. Our water efficiency initiatives include installing water-efficient faucets with flow restrictors in restrooms at our corporate office to reduce water flow and minimise wastage. We also conduct routine leak detection programmes for the Group's piping systems across our premises, facilitating proactive identification and prompt repair of water leaks.

Water efficiency is regularly discussed during team meetings and awareness posters are displayed in high-traffic shared spaces, encouraging our employees to contribute to sustainable water management practices and fostering water conservation at the workplace.

#### Steel Hawk's Water Conservation Measures

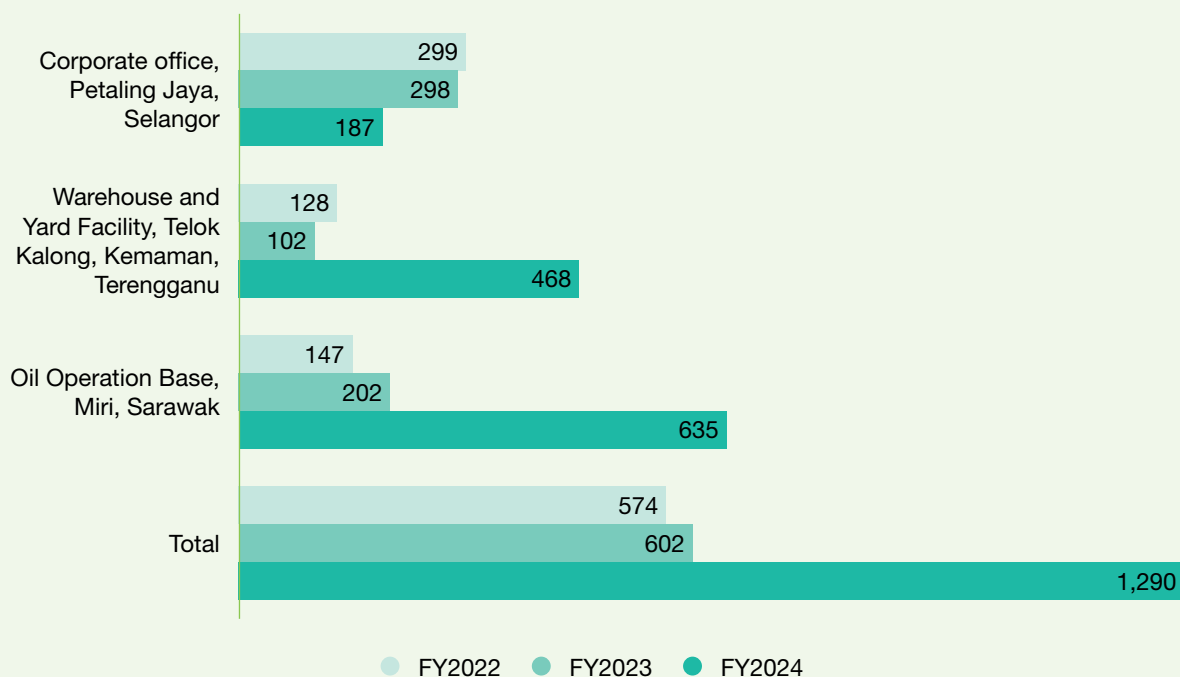


Regular  
Inspections

Conducted regular inspection and maintenance of piping systems to prevent leaks.

In FY2024, the Group consumed 1,290 ML of water. Water consumption at the Warehouse and Yard Facilities in Telok Kalong increased due to a higher volume of projects involving key processes and fabrication activities. Similarly, the Oil Operation Base in Miri recorded higher water usage following its relocation from a smaller office to a larger facility.

#### Water Consumption (ML)



Note:  
ML refers to Megalitres.

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### SOCIAL RESPONSIBILITY

Social responsibility is integral to Steel Hawk's sustainable business performance, complementing our environmental considerations and ethical governance. We contribute to societal well-being through strategic initiatives that empower individuals, both within our operations and the communities we serve, fostering a more inclusive future.



#### Material Sustainability Matters

- > Supply Chain Management
- > Occupational Health and Safety
- > Labour Practices and Standards
- > Diversity and Inclusions
- > Talent Development
- > Community Enrichment

#### Sustainability Highlights in FY2024

- 33% women representation on the Board
- Zero substantiated cases of human rights violation and incidents of discrimination
- 800 total training hours provided to our employees
- RM82,500 contributed to community service

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### SUPPLY CHAIN MANAGEMENT

Engaging with suppliers that share the Group's ESG values fosters collaborative efforts towards sustainability, driving socioeconomic and environmental benefits for the communities in which we operate. Employing local suppliers also strengthens our supply chain resilience while promoting their economic growth, ensuring mutual progress.

Steel Hawk's Procurement and Sub-Contracting Management Manual establishes the ethical standards expected of all third-party vendors, suppliers and service providers. To uphold these standards, the Group has implemented a supplier pre-qualification, registration and performance evaluation process.

#### Supplier Evaluation Criteria

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• Company background checks</li> <li>• Proof of concept</li> <li>• Credit assessment</li> <li>• Financial Continuity Strategy</li> </ul> | <ul style="list-style-type: none"> <li>• Pricing</li> <li>• Quality of product</li> <li>• ESG Screening</li> </ul> |
|---|--|

#### Supplier Selection Process

- Corporate profile
- Financial assessment
- Directorship
- Past track records (quality and delivery)
- Payment terms
- Legal history

#### Supplier Evaluation

- Technical capability and competency
- Delivery performance
- Quality of products / services
- Responsiveness
- Environmental, Health and Safety awareness
- After-sales service

We procure the following goods and services to support the execution and delivery of our projects.

#### Goods Procured

- Materials: Includes essential components such as plates, pipe flanges, stud bolts, consumables, and personal protective equipment ("PPE")
- Instrument Items: Covers specialised tools like gauges, gas detectors, and other critical instruments for operational safety and efficiency

#### Services Procured

- Equipment & Logistics Services: Encompasses calibration, machine rental, and transportation services
- Engineering Services: Includes drawing calculations and other technical design support
- Surface Treatment & Fabrication: Covers blasting and painting, hot-dip galvanizing ("HDG"), and fabrication works
- Site Services: Includes site surveys and other related fieldwork

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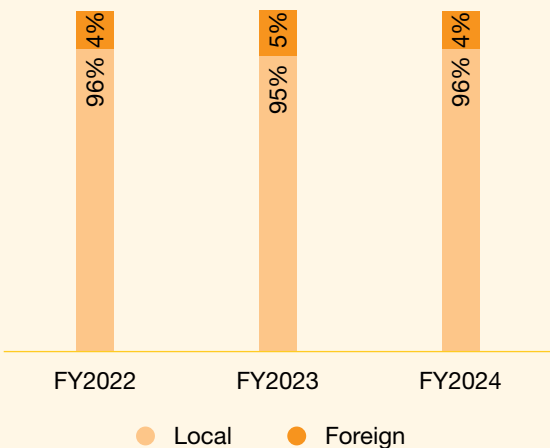
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## SUPPLY CHAIN MANAGEMENT (CONT'D)

We prioritise sourcing products and services from local suppliers and subcontractors whenever possible. In FY2024, the Group allocated 96% of our procurement to local suppliers and subcontractors.

Proportion of Procurement (%)



## OCCUPATIONAL HEALTH AND SAFETY

Safety is ingrained in Steel Hawk’s work culture, upholding a secure work environment during our O&G servicing operations. Implementing stringent safety measures enable us to proactively minimise occupational hazards and safeguard employee welfare, preventing operational disruptions and strengthening our overall resilience.

### Health, Safety and Environment (“HSE”) Committee

The HSE Committee reinforces our safety commitments by fostering a culture of safety, environmental responsibility and employee well-being. By integrating both employee and management perspectives, the Committee enhances our understanding of safety risks that strengthen our safety procedures and encourages employees to actively contribute towards maintaining a secure working environment.



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### OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

#### Occupational Health and Safety ("OHS") Management System

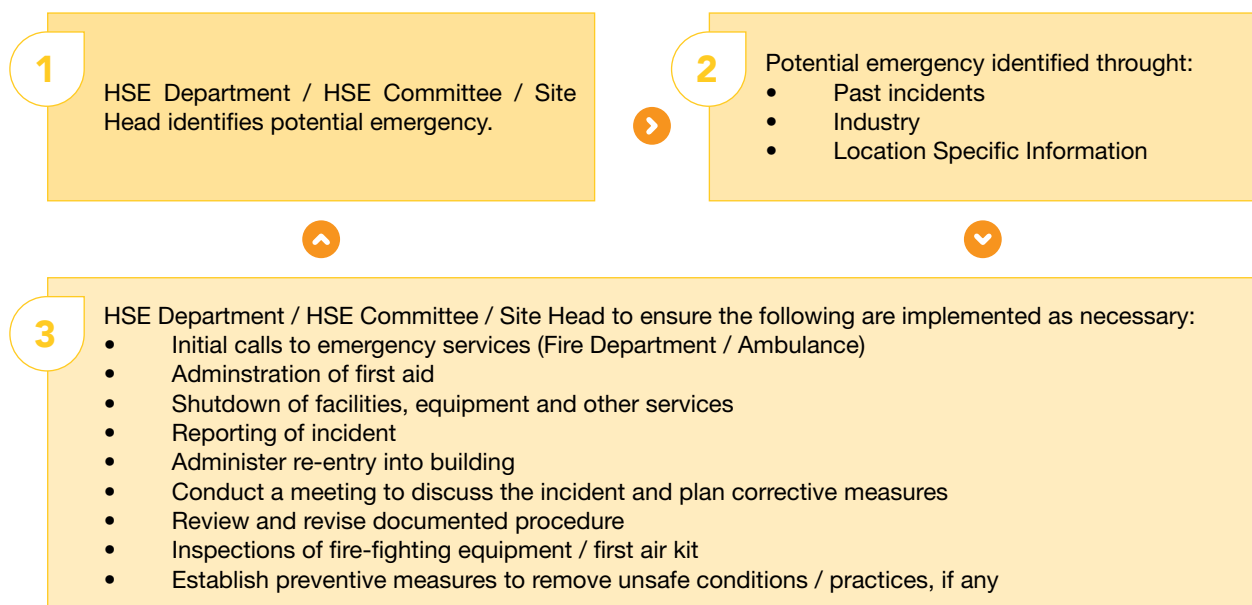
Our ISO 45001:2018 certified OHS system ensures Steel Hawk's compliance with industry-specific OHS requirements, mitigating operational, financial and legal risks. It is underpinned by our Health, Safety and Environment ("HSE") Policy aligned with the Hazard Identification, Risk Assessment and Risk Control ("HIRARC") Procedure.

HIRARC serves as a systematic approach to managing workplace safety, allowing us to implement effective mitigation measures and maintain strict regulatory compliance during incident investigations and reporting. Leveraging the insights gained from these investigations, we can identify root causes and develop targeted solutions that equip us to uphold our record of zero lost-time injuries ("LTI") and fatalities.



#### Emergency Preparedness and Response Procedure

Steel Hawk's Emergency Preparedness and Response Procedure equips employees with the knowledge necessary to respond effectively to unforeseen events. Emergency Response Team ("ERT") members undergo competency training in first aid and firefighting methods in accordance with government standards, ensuring they are well-versed in proper rescue and evacuation methods.



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## OCCUPATIONAL HEALTH AND SAFETY (CONT'D)

### Emergency Preparedness and Response Procedure (Cont'd)

We further enhance preparedness by conducting annual emergency drills to reinforce awareness and ensure our workforce remains well-prepared and up to date with established emergency protocols. Such proactive measures are integral to fostering safety and readiness across the organisation.

In FY2024, we recorded zero fatalities and Lost Time Incident Rate (“LTIR”) over the past three years.

Criteria	FY2022	FY2023	FY2024
Total number of hours worked	101,935	121,633	153,318
Number of lost-time injuries (LTI)	0	0	0
Number of fatalities as a result of work-related injuries or ill health	0	0	0
Lost-time Incident Rate (“LTIR”)	0	0	0

### Health and Safety Training

Regular HSE meetings and campaigns are conducted to emphasise the importance of compliance and to keep employees informed of the latest health, safety, and environmental regulations. Our Health and Safety Policy was displayed to all employees on notice boards, increasing awareness and ensuring accessibility.

The Group also organises frequent training and competency programmes to educate employees on HSE best practices, ensuring they remain up-to-date with evolving standards. Our collective efforts have resulted in zero recorded violations of health and safety regulations.

	FY2022	FY2023	FY2024
Number of employees who received health and safety training	13	16	9

Note: Number of employees that received HSE training was determined annually based on our Training Needs Analysis.

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### LABOUR PRACTICES AND STANDARDS

Steel Hawk's dedicated workforce propels our organisational growth. We prioritise upholding their fundamental human rights by adhering to ethical labour standards, fostering a high-performance work environment that ensures fair treatment, prioritises employee well-being and supports career advancement.

The Group maintains transparency in our human rights performance through consistent monitoring and prompt issue resolution. Open communication channels facilitate employee feedback and timely responses, reinforcing an inclusive workplace culture.

Our Labour and Human Rights Policy guides our efforts to identify and mitigate potential human rights violations, while our due diligence process, aligned with the UN Guiding Principles on Business and Human Rights, includes regular policy reviews and rigorous impact assessments.



**ZERO** substantiated cases concerning human rights violation for the past three years



**ZERO** reported incidents of discrimination

### Employee Recruitment

The Group's recruitment process adheres to the following procedures to ensure compliance with legal standards and fair hiring practices.

#### Recruitment Procedures



HR Manual  
Handbook

The handbook outlines the recruitment process to ensure its legality and adherence to the Group's policies.



Pre-Employment  
Medical Checkup

Candidates are required to undergo a pre-employment medical checkup to ensure they are physically fit and able to perform the job requirements.



Background  
Checks

To verify that candidates have no history of corruption or related criminal offenses, we conduct background checks on candidates through the Corruption Offender Database on the MACC's website.

Further to that, we provide all employees with an Employee Handbook to raise awareness of their rights and promote compliance to human rights principles.

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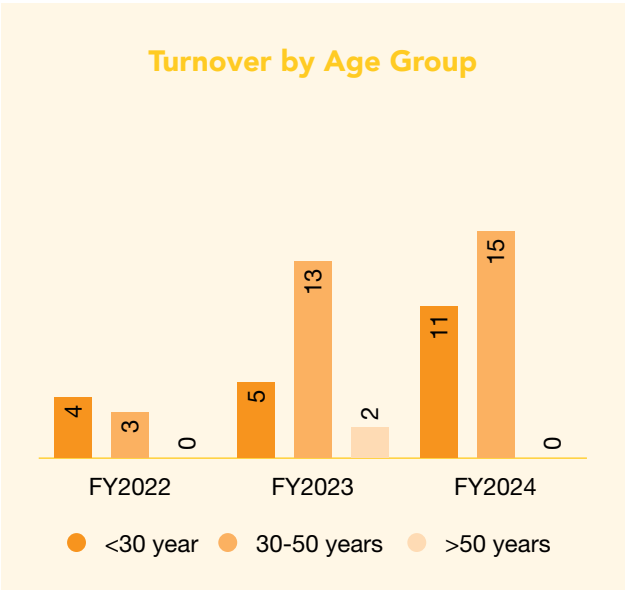
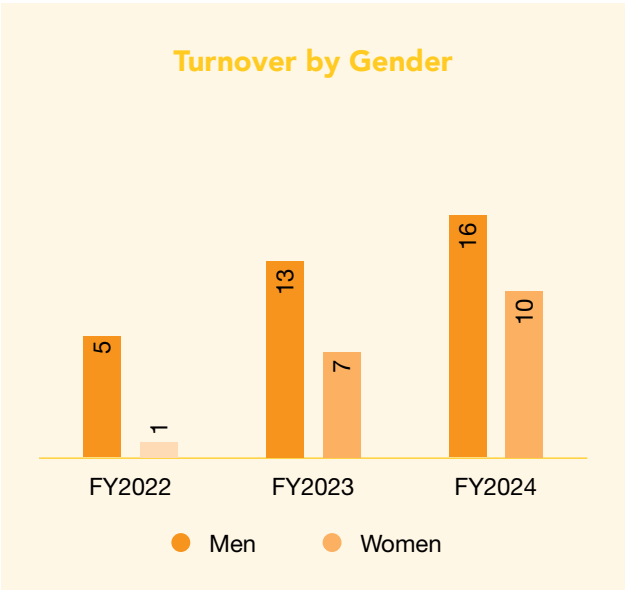
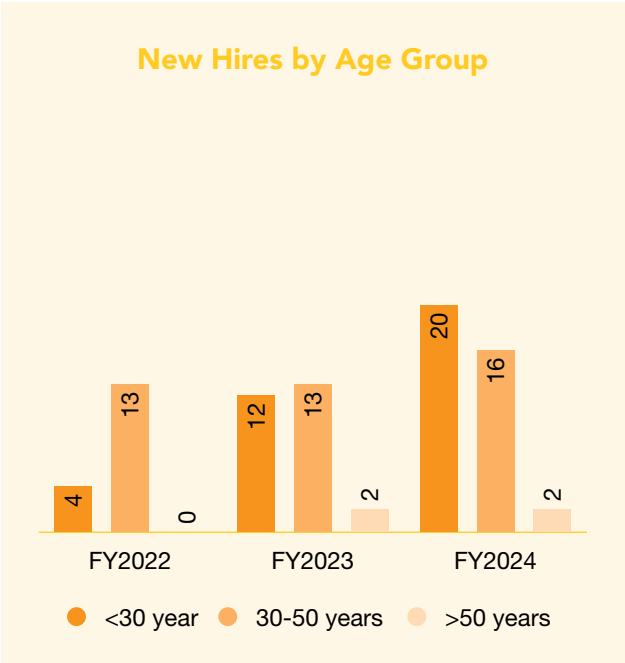
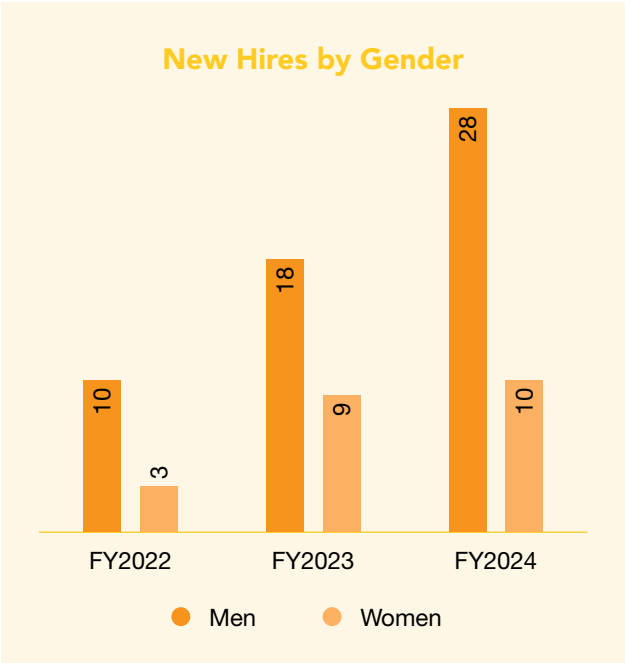
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## LABOUR PRACTICES AND STANDARDS (CONT'D)

### Employee Recruitment (Cont'd)

The Group welcomed a total of 38 new hires and recorded 26 turnovers in FY2024.



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### LABOUR PRACTICES AND STANDARDS (CONT'D)

#### Employee Recruitment (Cont'd)

Turnover by Employee Category



#### Parental Leave

In this reporting period, we recorded a 100% return-to-work rate for male employees who utilised parental leave.

	Gender	FY2022	FY2023	FY2024
Employees Entitled to Paternity Leave	Men	1	2	4
	Women	1	4	0
Number of employees who took Parental Leave	Men	1	2	4
	Women	1	4	0
Number of employees who returned after Parental Leave	Men	0	2	4
	Women	0	4	0
Number of employees who returned to work after parental leave ended that were still employed 12 months after their return	Men	0	2	4
	Women	0	4	0

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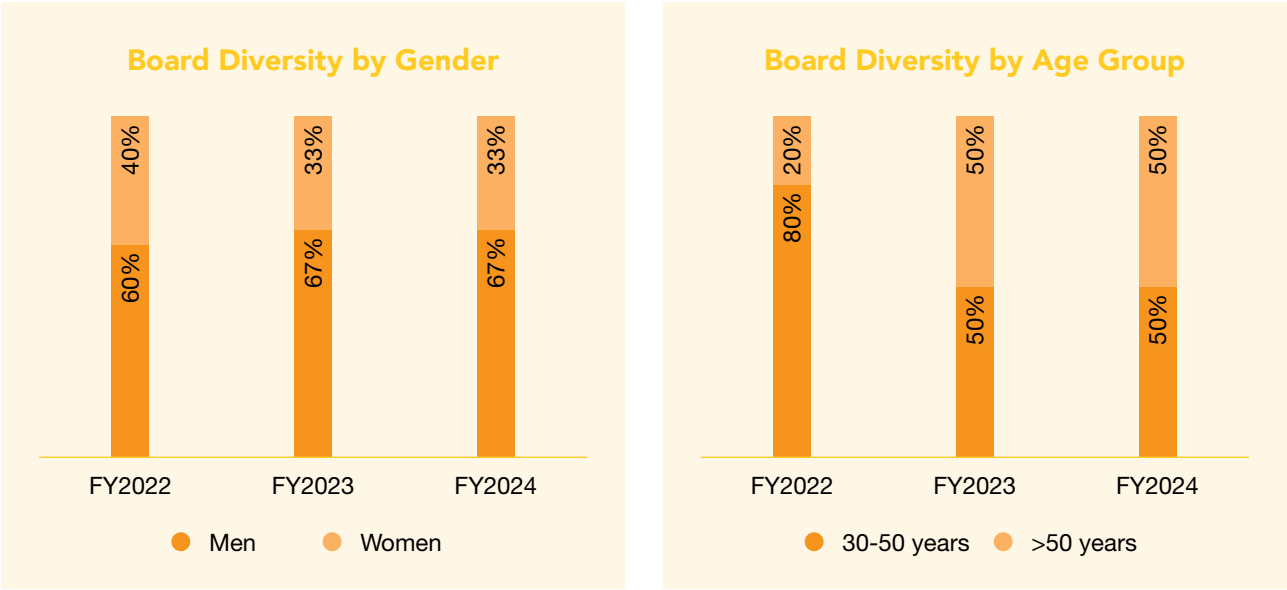
## DIVERSITY AND INCLUSION

We embrace diversity to establish an equitable workplace enriched by varied perspectives, creating a respectful work environment that empowers our people while strengthening our competitive edge in the O&G engineering services sector.

The Group cultivates a workplace that promotes equal opportunity and non-discrimination through various initiatives such as fair hiring practices. All candidates receive equal consideration based on their qualifications and experience regardless of background, gender and race. Self-appraisals are reviewed objectively by managers without discrimination to gender, ensuring evaluations are free from bias.

### Board Diversity

Steel Hawk’s Board of Directors comprises six members, with women accounting for 33% of the Board – exceeding the national target of 30% female representation set by the Malaysian Code on Corporate Governance (“MCCG”).





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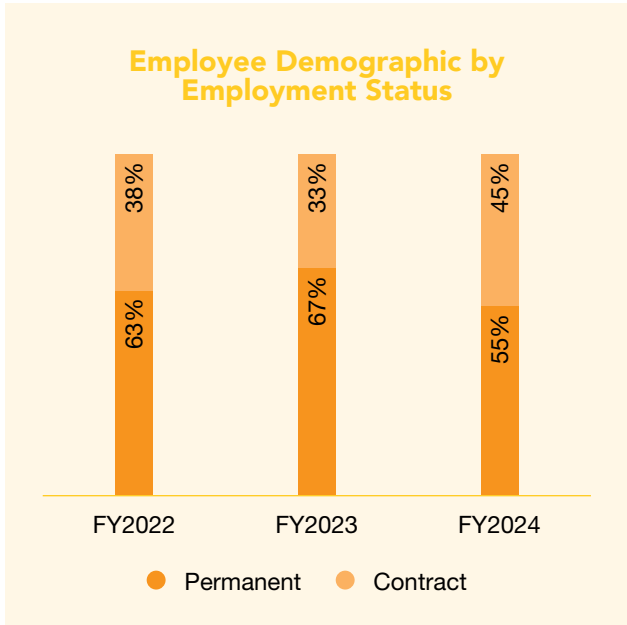
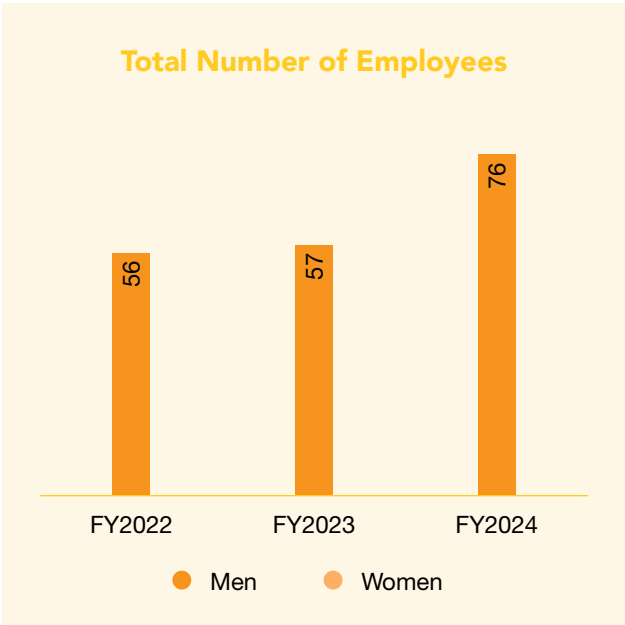
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DIVERSITY AND INCLUSION (CONT'D)

Employee Diversity

In FY2024, our workforce primarily consisted of executive roles (54%), followed by non-executive roles (28%) and management position (18%).

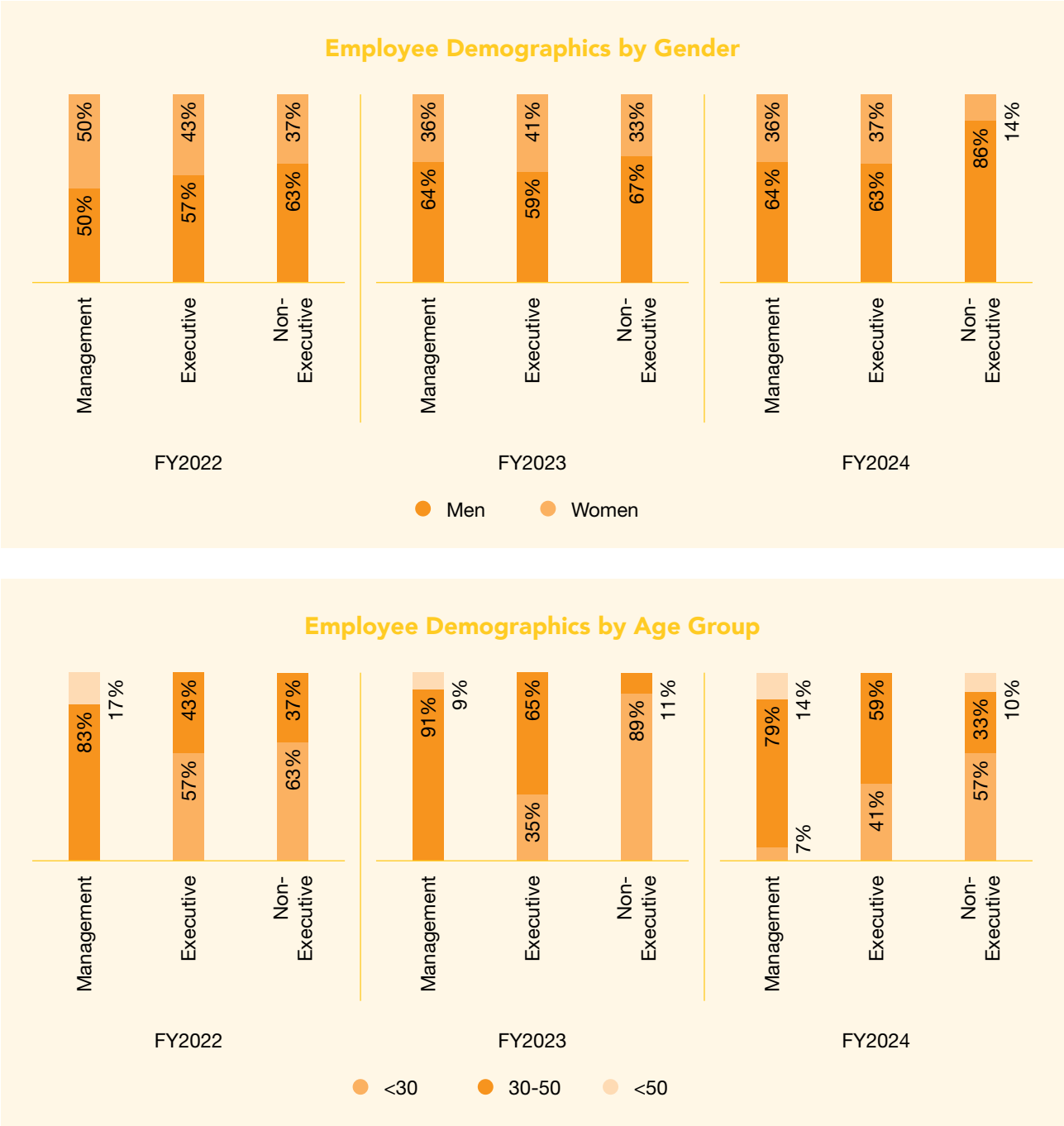


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## DIVERSITY AND INCLUSION (CONT'D)

### Employee Diversity (Cont'd)



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### TALENT DEVELOPMENT

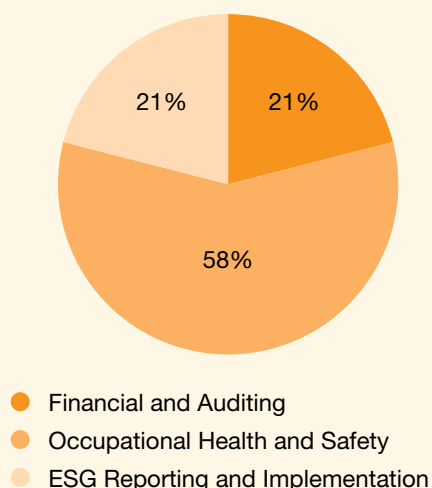
Recognising that workforce performance and business growth are directly linked, the Group invests in employee development to strengthen our workforce, facilitate effective succession planning and mitigate leadership gaps, securing the Group's sustained growth.

#### Employee Development

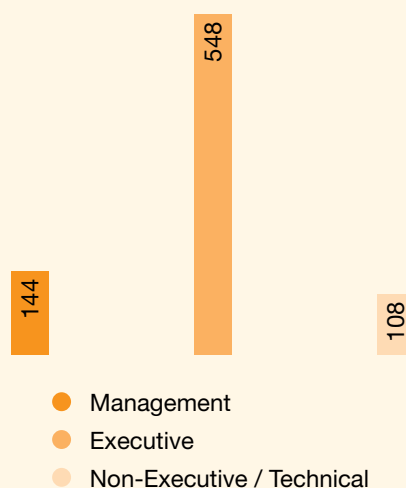
We implemented a Training Needs Analysis ("TNA") to assess each employee's specific career development needs. The process allows us to design an Annual Training Plan suited to addressing specific competency gaps within our workforce, facilitating their skill development and enhancing their performance. In FY2024, we provided training in areas such as financial and auditing, occupational health and safety, and ESG Reporting and Implementation.

Our training sessions amounted to a total of 632 hours of training, benefitting 96 attendees.

#### Types of Training Programmes



#### Total Training Hours Provided by Employee Category in FY2024



Note: Number of employees that received training was determined annually based on our Training Needs Analysis.

#### Performance Review

Complementing this effort is the annual performance appraisal performed by the Human Resources Department at the end of every financial year. Supervisors set formal Key Performance Indicators ("KPIs") which are documented in the Performance Appraisal Form, while continuous assessments are conducted throughout the year to monitor progress.

	FY2022	FY2023	FY2024
Number of employees that received appraisals	46	47	53

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### TALENT DEVELOPMENT (CONT'D)

#### Employee Benefits

Our employee benefits plan goes beyond financial compensation, taking a comprehensive approach to address the diverse needs of our workforce. Our benefits programme supports both their well-being and financial stability, including a range of services such as retirement savings plans, healthcare coverage and assistance, subsidies and allowances.



**Life Insurance**



**Disability & Invalidity Coverage  
[under Social Security Organisation  
("SOCSO")]**



**Healthcare Benefits**



**Retirement Provision [under  
Kumpulan Wang Simpanan Pekerja  
("KWSP")]**



**Travel Arrangements**



**Parental Leave**

#### Strengthening Emotional Wellness Through Plus Vibes

Steel Hawk proactively supports the well-being of employees through access to "Plus Vibes," an IT-based application that encourages a positive emotional state. Plus Vibes provides expert-led stress management and emotional well-being sessions, fostering a supportive work environment where employees can readily seek assistance.

#### Employee Engagement

Steel Hawk actively engages with our employees to foster a strong sense of unity at the workplace. We demonstrate appreciation and reinforce employee value through providing recognition and rewards.

#### Town Hall 2024

On 30 July 2024, the Town Hall 2024 (Virtual) session was held to provide updates on the latest revisions to the employee handbook, including policies on overtime and Health, Safety, and Environment.

#### Bowling with HQ Team

On 19 July 2024, the HQ team engaged in a post-work bonding activity through a bowling session at One Utama Bowling Centre



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- Social Responsibility

## TALENT DEVELOPMENT (CONT'D)

### Employee Engagement (Cont'd)

#### Football TKY team

A friendly football match between Steel Hawk’s Teluk Kalong Yard team and the team from UBF Maintenance Sdn Bhd was held on 7 August 2024 as part of the Group’s engagement activities.



#### Secret Santa Exchange Gift

In December, a Secret Santa gift exchange was organised to foster holiday cheer and strengthen team bonds. Participants were randomly assigned a colleague to purchase a gift for within a set price limit. The anonymity of the exchange added an element of surprise, promoting camaraderie, generosity, and a festive atmosphere within the team.



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# SUSTAINABILITY STATEMENT

Good Governance

Environmental Stewardship

Social Responsibility

## COMMUNITY ENRICHMENT

Investing into corporate social responsibility (“CSR”) initiatives enables Steel Hawk promote social equity within our communities by empowering vulnerable groups and encouraging socioeconomic growth. These efforts foster positive long-term relationships, enhancing our reputation and reinforcing our social license to operate.

The Group focuses on CSR initiatives that support environmental conservation, community welfare and education. We prioritise ethical alignment in our selection of humanitarian organisations, conducting rigorous due diligence to ensure they meet established criteria.

### CSR Organisation Criteria

1.

It must not fall under any category that the Group does not support or contribute to.
2.

It must not pose risks of perceived improper advantage for the Group.
3.

The proposed recipient must be a legitimate organisation.
4.

The proposed recipient must not have affiliations with Public Officials.

During the year, we provided monetary and non-monetary contributions totalling RM 82,500 to 6 organisation, reflecting our commitment to driving positive social impact.

No	Community Programmes	Organisations	Amount (RM)
1	Majlis Iftar & Bantuan Ramadhan untuk Asnaf 2024	1	9,000
2	Michaelians Got Talent 2024	1	7,500
3	Oil & Gas Asia (OGA) 2024	1	35,000
4	Bursa Bull Charge 2024 (Photobooth)	1	10,000
5	ESG & Brands Forum 2024	1	15,000
6	Energy Career Aspiration Networking Series (ECANS)	1	6,000
Total		6 organisations	82,500

## SUSTAINABILITY STATEMENT

### PROGRESSING TOWARDS A PROMISING TOMORROW

2024 marked a year of strategic advancement for Steel Hawk, as we reinforced our climate resilience by adopting industry-leading climate-related best practices and integrated innovative ESG initiatives throughout our technical and engineering service lines. Our successful transition to the ACE Market provides further momentum for our sustainability journey, with these achievements creating a strong foundation for our continued success in the O&G sector and our contribution to a more equitable future.

### PERFORMANCE DATA TABLE

Governance				
Indicator	Unit	FY2022	FY2023	FY2024
Corporate Governance and Anti-Corruption				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
• Management	%	-	0	57
• Executive	%	-	3	80
• Non-Executive / Technical	%	-	0	62
Bursa C1(b) Percentage of operations assessed for corruption related risks	%	-	100	100
Bursa C1(c) Confirmed incidents of corruption and actions taken	Number	0	0	0
Bursa C3(b) Percentage of directors by gender and age				
Male	%	60	67	67
Female	%	40	33	33
<30	%	0	0	0
30-50	%	80	50	50
>50	%	20	50	50
Data Privacy and Security				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy or losses of customer data	Number	0	0	0
Supply Chain Management				
Bursa C7(a) Proportion of spending on local suppliers	%	96	95	96

Note: Data for percentage of employees who received training on anti-corruption, and percentage of operations assessed for corruption related risk was disclosed from FY2023 onwards.

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## SUSTAINABILITY STATEMENT

## PERFORMANCE DATA TABLE (CONT'D)

## Environment

Indicator	Unit	FY2022	FY2023	FY2024
Energy Management and Climate Action				
Bursa C4(a) Total energy consumption	GJ	1,442	1,615	1,741
Bursa C4(a) Total energy consumption	MWh	400	449	484
Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	85	95	100
Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e	tCO <sub>2</sub> e	40	44	55
Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e Category 6: Business Travel)	tCO <sub>2</sub> e	-	-	25
Waste and Pollution Management				
Bursa C10(a) Total waste generated	tonnes	0.67	0.64	1.13
Bursa C10(a)(i) Total waste diverted from disposal	tonnes	0.00	0.00	0.10
Bursa C10(a)(ii) Total waste directed to disposal	tonnes	0.67	0.64	1.04
Water Management				
Bursa C9(a) Total volume of water used	ML	574	602	1,290

Note:

1. Scope 3 GHG emissions was included in FY2024 onwards, limited to business travel.
2. The sustainability indicators for Scope 3 GHG emissions and indicators under Waste Management have not been subjected to an assurance process in 2024. The Group aims to achieve comprehensive recording and reporting for the Sustainability Statement for the Financial Year Ending 31 December 2025.
3. Waste data was not subjected to external assurance.
4. Data for Scheduled Waste generated and Total Waste Diverted from Landfills are only included from FY2024 onwards.

## Social

Indicator	Unit	FY2022	FY2023	FY2024
Health and Safety				
Bursa C5(a) Number of work-related fatalities	Number	0	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0	0	0
Bursa C5(c) Number of employees trained on health and safety standards	Number	13	16	9

## SUSTAINABILITY STATEMENT

### PERFORMANCE DATA TABLE (CONT'D)

Social				
Indicator	Unit	FY2022	FY2023	FY2024
Labour Practices and Standards				
Bursa C6(d) Number of substantiated complaints concerning human rights violation	Number	0	0	0
Bursa C6(a) Total hours of training by employee category				
Labour Practices and Standards (Cont'd)				
• Management	Hours	-	-	144
• Executive	Hours	-	-	548
• Non-Executive / Technical	Hours	-	-	108
Bursa C6(c) Total number of employee turnover by employee category				
• Management	Number	0	0	1
• Executive	Number	5	16	20
• Non-Executive	Number	1	4	5
Diversity, Equity and Inclusion				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Gender group by employee category				
• Management (Male)	%	50	64	64
• Management (Female)	%	50	64	36
• Executive (Male)	%	57	59	63
• Executive (Female)	%	43	41	37
• Non-Executive / Technical (Male)	%	63	67	86
• Non-Executive / Technical (Female)	%	37	33	14
Age group by employee category				
• Management (<30)	%	0	0	7
• Management (30-50)	%	83	91	85

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## SUSTAINABILITY STATEMENT

### PERFORMANCE DATA TABLE (CONT'D)

Social				
Indicator	Unit	FY2022	FY2023	FY2024
Diversity, Equity and Inclusion (Cont'd)				
• Management (>50)	%	17	9	14
• Executive (<30)	%	57	35	41
• Executive (30-50)	%	43	65	59
• Executive (>50)	%	0	0	0
• Non-Executive / Technical (<30)	%	63	89	57
• Non-Executive / Technical (30-50)	%	37	11	33
• Non-Executive / Technical (>50)	%	0	0	10
Bursa C6(b) Percentage of employees that are contractors or temporary staff	%	38	33	45
Community Engagement				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	-	81,950	82,500
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	-	3 organisations	6 organisations

Note:

1. Total hours of training by employee category are disclosed from FY2024 onwards.
2. Number of employees that received training was determined annually based on our Training Needs Analysis.
3. The Performance Data Table presented above was prepared in compliance with Bursa Malaysia's requirements. For the Performance Data Table generated by Bursa Malaysia's ESG Reporting platform, please refer to our Sustainability Report 2024, accessible on our corporate website at <https://www.steelhawk.com.my/>.

## SUSTAINABILITY STATEMENT



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**Independent Practitioners' Limited Assurance Report on Steel Hawk Berhad's (the "Company")  
Selected Sustainability Indicators for the financial year ended 31 December 2024 ("FYE 2024")  
presented in the Company's Annual Report 2024**

### Conclusion

We have performed a limited assurance engagement on whether the Company's selected sustainability indicators for the FYE 2024 are set out below ("Selected Sustainability Indicators") have been prepared in accordance with the Company's definition and calculation methodologies as set out in the Company's Annual Report 2024 and/or where relevant, the Bursa Malaysia Securities Berhad Listing Requirements ("Applicable Criteria"):

- 1) Percentage of employees who have received training on anti-corruption by employee category (%);
- 2) Percentage of operations assessed for corruption related risks (%);
- 3) Confirmed incidents of corruption and action taken (Number);
- 4) Total amount invested in the community where the target beneficiaries are external to the listed issuer (RM);
- 5) Total number of organisations of the investment in communities (Number);
- 6) Percentage of employees by gender and age group, for each employee category (%);
- 7) Percentage of directors by gender and age group (%);
- 8) Total energy consumption (within the organisation) (Gigajoules);
- 9) Number of work-related fatalities (Number);
- 10) Lost time incident rate (Rate);
- 11) Number of employees trained on health and safety standards (Number);
- 12) Total hours of training by employee category (Hours);
- 13) Percentage of employees that are contractors or temporary staff (%);
- 14) Total number of employee turnover by employee category (Number);
- 15) Number of substantiated complaints concerning human rights violations (Number);
- 16) Proportion of spending on local suppliers (%);
- 17) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data (Number);
- 18) Total volume of water used (within the organisation) (Megalitres);

## SUSTAINABILITY STATEMENT



Steel Hawk Berhad (the "Company")  
Independent Practitioner's Limited Assurance Report on  
Steel Hawk Berhad's Selected Sustainability Indicators for the FYE 2024  
presented in the Company's Annual Report FYE 2024  
7 April 2025

### Conclusion (continued)

- 19) Total Scope 1 Greenhouse Gas ("GHG") emissions (tCO<sub>2</sub>e) - Mobile Combustion (Fuel Consumption for Company-owned vehicle); and
- 20) Total Scope 2 GHG emissions (tCO<sub>2</sub>e)– Purchased Electricity (location based).

The boundary of the limited assurance engagement on the Selected Sustainability Indicators covers the Company's operations in Malaysia.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Company's Selected Sustainability Indicators for the FYE 2024 presented in the Company's Annual Report 2024 are not prepared, in all material respects, in accordance with the Applicable Criteria.

### Basis for conclusion

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagements ("ISAE") 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Our responsibilities under this standard are further described in the *Our responsibilities* section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

#### *Our Quality Management and Independence*

Our firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

### Restriction on distribution and use of our report

Our report has been prepared for the Directors of the Company solely in accordance with the terms of our engagement letter.

Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, we will accept no responsibility or liability in respect of our report to any other party, other than the Company, for our work, for the assurance report we will issue, and for the conclusion we reach.

Without affecting, adding to or extending our duties and responsibilities to the Company or giving rise to any duty or responsibility being accepted or assumed by or imposed on us by any other party, we consent to the inclusion of this report in the Company's Annual Report 2024 to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Selected Sustainability Indicators.

Our conclusion is not modified in respect of this matter.



## SUSTAINABILITY STATEMENT



*Steel Hawk Berhad (the "Company")  
Independent Practitioner's Limited Assurance Report on  
Steel Hawk Berhad's Selected Sustainability Indicators for the FYE 2024  
presented in the Company's Annual Report FYE 2024  
7 April 2025*

### Responsibilities for the Selected Sustainability Indicators

The management of the Company (the "Management") is responsible for:

- (a) Designing, implementing and maintaining internal control relevant to the preparation of the Selected Sustainability Indicators such that it is free from material misstatement, whether due to fraud or error;
- (b) Selecting or developing suitable criteria for preparing the Selected Sustainability Indicators and appropriately referring to or describing the criteria used, including who developed them, when not readily apparent from the engagement circumstances;
- (c) Preparing and properly calculating the Selected Sustainability Indicators in accordance with the Applicable Criteria;
- (d) Preventing and detecting fraud; and
- (e) Selecting the content of the Selected Sustainability Indicators, including identifying and engaging with intended users to understand their information needs.

### Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Company's Annual Report 2024 may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Company's Annual Report 2024, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

### Our responsibilities

We are responsible for:

- (a) Planning and performing the engagement to obtain limited assurance about whether the Selected Sustainability Indicators is free from material misstatement, whether due to fraud or error;
- (b) Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- (c) Reporting our conclusion to the Directors.

### Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Selected Sustainability Indicators that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Selected Sustainability Indicators and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we have performed the following procedures, amongst others:

- (a) Enquired Management to gain an understanding of the processes established from which the Selected Sustainability Indicators is derived;
- (b) Interviewed relevant staff responsible for preparing and presenting the Selected Sustainability Indicators in the Company's Annual Report FYE 2024;

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## SUSTAINABILITY STATEMENT



*Steel Hawk Berhad (the "Company")  
Independent Practitioner's Limited Assurance Report on  
Steel Hawk Berhad's Selected Sustainability Indicators for the FYE 2024  
presented in the Company's Annual Report FYE 2024  
7 April 2025*

### Summary of the work we performed as the basis for our conclusion (continued)

- (c) Compared the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to underlying sources on a sample basis; and
- (d) Read the Selected Sustainability Indicators presented in the Company's Annual Report 2024 to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

### Other matter

Our assurance conclusion was with respect to the Company's Selected Sustainability Indicators for the FYE 2024 and we have not performed any procedures with respect to earlier periods or any other elements included in the Company's Annual Report 2024 and therefore, we do not express any conclusion thereon.



**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya

Date: 7 April 2025



# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## INTRODUCTION

The Board of Directors of (“**Board**”) of Steel Hawk Berhad and our subsidiaries (collectively, the “**Group**”) recognises the crucial role of strong corporate governance practices in the success of the business and is committed to upholding high standards of ethics and accountability in all aspects of its operations. As part of this commitment, the Board is dedicated to setting strategic goals, promoting the Group’s values and standards, and meeting our obligations to all stakeholders.

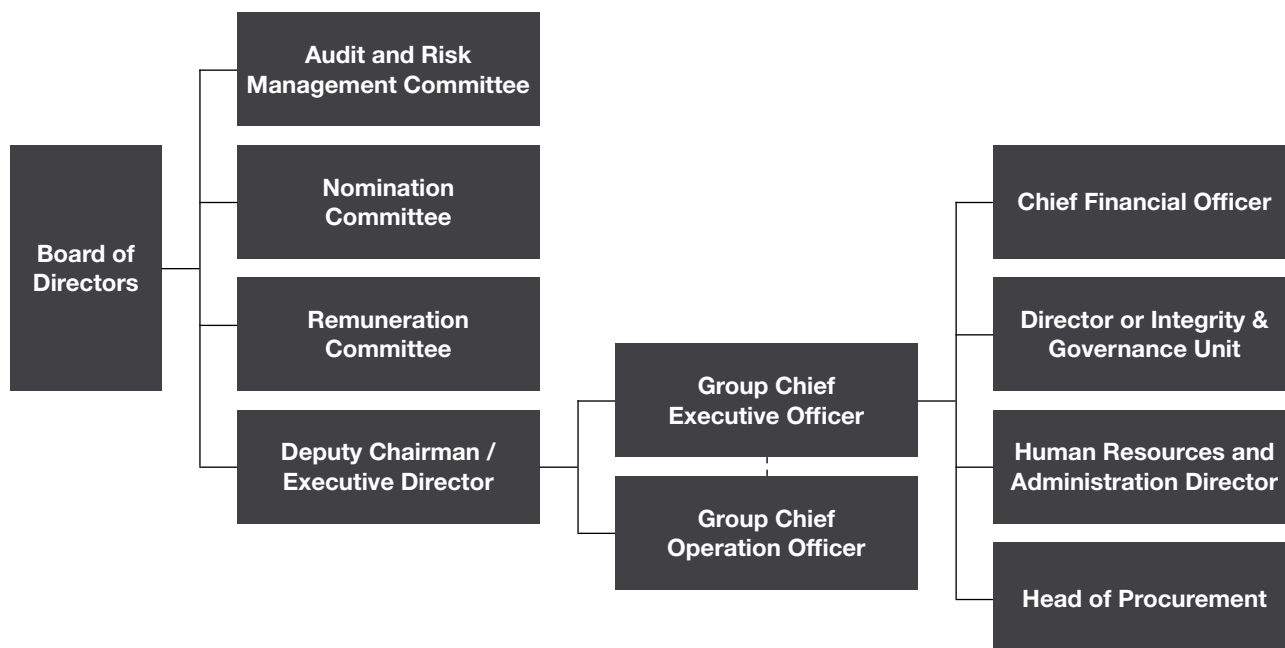
The Group has successfully implemented and applied 40 out of the 43 Practices prescribed in the Malaysian Code on Corporate Governance 2021 (“**MCCG**”), together with 3 out of the 5 optional Step-Up Practices. The Group’s Corporate Governance (“**CG**”) Report, which is available on the Company website at <https://www.steelhawk.com.my>, explained the details on the application or departure of each MCCG Practice.

Our strategy encourages the Group’s holistic adoption of CG practices and culture while ensuring compliance with the Listing Requirements and the Companies Act 2016 (“**CA 2016**”), as well as monitoring the changes and advancements in industry standards and other relevant regulation, where applicable.

The Board is pleased to present this CG Overview Statement (“**CGOS**” or the “**Statement**”) of the Company for the financial year ended 31 December 2024 to provide shareholders and investors with an overview of the Group’s CG policies under the direction of the Board. This CGOS is prepared pursuant to the Rule 15.25 of the ACE Market Listing Requirements (“**AMLR**”) of Bursa Malaysia Securities Berhad (“**Bursa Securities**”).

This statement should be read in conjunction with the Group’s CG Report 2024, which is available on the Company’s website at <https://www.steelhawk.com.my> as well as other statements in this Annual Report, including the Statement on Risk Management and Internal Control and Sustainability Statement.

The current governance structure of the Group is as follows:



*Note: The dotted line from the Group Chief Operating Officer (“GCOO”) to the Group Chief Executive Officer (“GCEO”) indicates that the GCOO reports operational and project issues to the GCEO, offering insights and recommendations to ensure alignment with the company’s overall goals.*

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS

### BOARD RESPONSIBILITIES AND BOARD CHARTER

The Board acknowledges the importance of corporate governance in directing and managing the businesses and affairs of the Group, as well as to safeguard and enhance shareholders' value and performance of the Group on a sustainable and long-term basis. The Board reviews and sets a strategic plan for the Group to ensure that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability.

The roles and responsibilities of the Board are formalised in the Board Charter. The Board Charter also clearly stated all relevant governance matters and applicable limits of authority, including matters reserved for the Board and those which are expressly delegated to the Board committees, the Chairman of the Board ("**Chairman**") and the Group Chief Executive Officer ("**GCEO**"). The Board Charter is reviewed periodically or as and when changes occur to ensure that it reflects the current needs of the Group and adheres to any amendments of the AMLR, laws and regulations. The Board Charter is available on the Company's website at <https://www.steelhawk.com.my>.

In furtherance of the above and to ensure orderly and effective discharge of the Board's functions and responsibilities, the Board has established the following Board Committees:-

- Audit and Risk Management Committee ("**ARMC**");
- Nomination Committee ("**NC**"); and
- Remuneration Committee ("**RC**").

By leveraging the expertise of these Board Committees and empowering them to provide independent insights and recommendations, the Board is better equipped to make informed decisions and navigate complex challenges in an effective and efficient manner.

The duties and responsibilities delegated to the respective Board Committees are set out in the respective Terms of Reference as approved by the Board, which are available on the Company's website at <https://www.steelhawk.com.my>.

### ROLES AND RESPONSIBILITIES OF THE CHAIRMAN AND GROUP CHIEF EXECUTIVE OFFICER

The positions of the Chairman and the GCEO are held by different individuals with clear and distinct roles and responsibilities stated in the Board Charter of the Company to ensure a balance of power and authority between the two positions as well as to maintain effective supervision and accountability of the Board and Executive Management.

The Chairman is responsible for providing leadership at the Board level, representing the Board to the shareholders and other stakeholders, ensuring Board effectiveness and promoting the highest standards of integrity, probity and corporate governance throughout the Group.

Whilst the GCEO takes on the primary responsibility of making major corporate decisions, managing the overall operations and resources of the Group, acting as the main point of communication between the Board and corporate operations and being the public face of the Group.

### BOARD AND BOARD COMMITTEES' MEETINGS

Management and / or external advisors may be invited to the meetings to assist the Board Committees for explanations on issues relating to the meeting agenda to facilitate the respective Board Committees in assessing the risk, providing suggestions for improvement, and making recommendations to the Board. Additionally, they may also be invited to attend Board meetings to advise and / or furnish the Board with information and clarification needed on relevant agenda items to enable the Board to arrive at a considered decision.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### BOARD AND BOARD COMMITTEES' MEETINGS (CONT'D)

Board and the Board Committees are furnished with proper agenda for all meetings, with a formal notice issued and meeting papers and necessary reports being prepared by the Executive Management. The meeting papers were circulated prior to the meetings to all Directors for their review to ensure effective discussion and decision-making during the meetings. Nonetheless, there were times where the meeting papers might be delivered late to the Directors as the respective presenters delivered the board papers late. All issues discussed at the meetings of the Board and the Board Committees in arriving at decisions and conclusions were properly recorded and documented by the Company Secretaries.

All Directors are encouraged to declare their time commitment to the Board and to notify the Board of any new directorship in other public listed companies and that the new directorship should not unduly affect their time commitment and responsibilities to the Board. The Board is satisfied with the level of the time commitment contributed by the Directors toward fulfilling their roles and responsibilities as Directors of the Company, which is evidenced by the following attendance records of the Directors at the meetings of the Board and the Board Committees held in 2024:-

#### (i) Meetings of the Board

The Board shall meet at least four times each year or upon the request of the Chairman for any additional meetings as he considers necessary. During the financial year ended 31 December 2024, the Board met five times to approve, inter alia, the strategic plans and direction for the Group, operational and financial performance reports, and quarterly reports and to review the business performance of the Group. The details of attendance are as follows:-

Name	Attendance	
Tan Sri Acryl Sani Bin Hj. Abdullah Sani	100%	5/5
Dato' Sharman Kristy A/L Michael	100%	5/5
Salimi Bin Khairuddin	100%	5/5
Zariner Binti Ismail	100%	5/5
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	80%	4/5
Haslinda Binti Hussein ( <i>Resigned on 30 September 2024</i> )	100%	4/4
Aznita Binti Abdul Aziz ( <i>Appointed on 1 November 2024</i> )	100%	1/1

#### (ii) Meetings of ARMC

The ARMC shall meet at least four times each year or upon the request of the Chairperson for any additional meetings as she considers necessary. As the ARMC was formed in the first quarter of 2024, there were only three ARMC meeting held after its formation on 27 February 2024 to the end of the financial year ended 31 December 2024, and the details of attendance are as follows:-

Name	Attendance	
Zariner Binti Ismail	100%	3/3
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	100%	3/3
Haslinda Binti Hussein ( <i>Resigned on 30 September 2024</i> )	100%	2/2
Aznita Binti Abdul Aziz ( <i>Appointed on 1 November 2024</i> )	100%	1/1

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### BOARD AND BOARD COMMITTEES' MEETINGS (CONT'D)

##### (iii) Meetings of NC

The NC shall meet at least once a year or as and when the NC deems necessary to fulfil its responsibilities. During the financial year 2024, a NC meeting was held on 18 April 2024, and the details of attendance are as follows:-

Name	Attendance	
Aznita Binti Abdul Aziz ( <i>Appointed on 1 November 2024</i> )	-	-
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	100%	1/1
Zariner Binti Ismail	100%	1/1
Haslinda Binti Hussein ( <i>Resigned on 30 September 2024</i> )	100%	1/1

##### (iv) Meetings of RC

The RC shall meet at least once a year or as and when the RC deems necessary to fulfil its responsibilities. During the financial year 2024, two RC meetings were held on 5 March 2024 and 18 April 2024, and the details of attendance are as follows:-

Name	Attendance	
Aznita Binti Abdul Aziz ( <i>Appointed on 1 November 2024</i> )	-	-
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	100%	2/2
Zariner Binti Ismail	100%	2/2
Haslinda Binti Hussein ( <i>Resigned on 30 September 2024</i> )	100%	2/2

#### ACCESS TO INFORMATION AND ADVICE

All Directors have unrestricted access to Management and the services and advice of the external engaged parties, such as the Company Secretaries, the internal auditors and the external auditors (through the ARMC) and they, as a whole or individually, may also seek independent professional's advice, when necessary, at the Group's expenses to enable them to discharge their duties and responsibilities.

#### GOVERNING SUSTAINABILITY

The Board reviews and sets a strategic plan for the Group to ensure that the strategic plan of the Group supports long-term value creation and includes strategies on economic, environmental and social considerations underpinning sustainability. The Board also oversees the Group's overall sustainability performance. More details of our sustainability activities are entailed in the Sustainability Statement on pages 46 to 98 of this Annual Report.

#### CODE OF CONDUCT AND ETHICS

Our Company had adopted a Code of Conduct and Ethics to provide professional and ethical guidelines for the Directors and employees of the Company with the aim to establish, maintain and enhance the reputation, image and branding of the Company as well as display the highest level of professionalism in all aspects of their tasks. The Code of Conduct and Ethics shall apply to every employee, contract staff, Director and Officer (also referred to as the "key senior management" or "KSM") of the Group.

The Code of Conduct and Ethics is available on the Company's website at <https://www.steelhawk.com.my>.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### ANTI-BRIBERY AND CORRUPTION POLICY

Our Company had adopted an Anti-Bribery and Corruption Policy, which is in line with the corporate liability provision under Section 17A of the Malaysian Anti-Corruption Commission Act 2009, serving as a guideline on ethical behavior for all personnel and business associates within the Group. It aims to promote better governance culture and ethical behavior within the Group and to prevent the occurrence of corrupt practices. The Board reviews the anti-bribery and corruption report within the Group at the quarterly meetings.

The Anti-Bribery and Corruption Policy is available on the Company's website at <https://www.steelhawk.com.my>.

### WHISTLEBLOWING POLICY

Our Company had adopted a Whistleblowing Policy to provide an avenue for all our employees and members of the public to disclose any improper conduct in accordance with the Whistleblowing Procedure as well as to provide protection for them who report such allegations. The Whistleblowing Committee will assist in investigating the reported misconducts independently and taking necessary action. The Whistleblowing Policy and Whistleblowing Procedure are available on the Company's website at <https://www.steelhawk.com.my>.

### DIRECTORS' FIT AND PROPER POLICY

Our Company had adopted a Directors' Fit and Proper Policy, serving as a guide for the NC's assessment of potential candidates, who are to be appointed to the Board as well as the retiring Directors, who are seeking re-election before the NC recommends the proposed appointment or re-appointment to the Board for consideration. This Policy is available on the Company website at <https://www.steelhawk.com.my>.

### CONFLICTS OF INTEREST POLICY

The Directors and Officers of the Group should conduct themselves with integrity, impartiality and professionalism at all times, and to avoid any conflicts of interest situations that may arise in the performance of their duties.

The Company has adopted a Conflicts of Interest Policy in line with the AMLR while the terms of reference of the Board Committees and the Board Charter have been reviewed and revised to enhance the roles and responsibilities of the Board Committees and the Board in relation to the conflicts of interest and potential conflicts of interest arose, persist or may arise within the Group. The aforementioned documents are available on the Company website at <https://www.steelhawk.com.my>.

The ARMC is responsible to review and report to the Board, any conflicts of interest situations that arose, persist or may arise within the Group during the financial year together with the measures taken to resolve, eliminate or mitigate such conflict.

### BOARD COMPOSITION

As at the date of this report, the Board comprises of six Directors, including two Executive Directors, four Independent Non-Executive Directors in compliance with Rule 15.02(1) of the AMLR, which requires at least two Directors or one-third of the Board, whichever is the higher, to be independent. The Board is also conforming to Practice 5.2 of the MCGG, with half of the Board comprises Independent Directors.

Tan Sri Acryl Sani Bin Hj. Abdullah Sani, who serves as an Independent Non-Executive Director, is the Chairman of the Board and not a member of any Board Committees in compliance with Practice 1.4 of the MCGG.

All Independent Non-Executive Directors fulfilled the criteria of "Independence" as prescribed under the AMLR and they are independent of management and have no family or business relationships with the Executive Directors and major shareholders which would interfere with the exercise of their independent judgment.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### BOARD COMPOSITION (CONT'D)

None of the Independent Directors had served the Company for a cumulative term of more than nine years. Notwithstanding that, the Board acknowledges the recommendation of the MCCG that the tenure of an Independent Director should not exceed a cumulative term of nine years. The Board Charter stipulates that Independent Director who has served the Board for a cumulative period of more than nine years may continue to serve on the Board as a Non-Independent Director. If the Board intends to retain, he or she as Independent Director beyond nine years, the Board should seek annual shareholders' approval through a two-tier voting process in accordance with MCCG's practices.

The Board, through the NC, had assessed the matrix composition of the current Board for the financial year ended 31 December 2024 and that they were satisfied that the current Board had the right size and composition, with an appropriate mix of skills, knowledge, experience, and independence.

#### GENDER DIVERSITY POLICY

The Board has adopted a Gender Diversity Policy for the Board in accordance with the AMLR and it is available on the Company's website at <https://www.steelhawk.com.my>. As at the date of this Annual Report, the Board comprises of 33.33% women Directors, which are two out of the six Board members, in compliance with the AMLR and Practice 5.9 of the MCCG.

Although the Board does not set any specific gender diversity target for key senior management in this Policy, the Board acknowledges that diversity in the management level by having female representation at the management level which could potentially be a pipeline for future candidates to be appointed as senior management. During employee recruitment process, the Board, through the NC, will consider women candidates for any key senior management positions if there are suitable candidates with relevant skills, competence, knowledge, experience and etc fitting such positions.

#### DIRECTORS' TRAINING

All Directors are aware that they shall attend appropriate training programmes to keep them abreast with the current developments in the industry thereby strengthening the Board's competencies in staying abreast including but not limited to understanding the sustainability, corporate governance, risk management and strategic issues relevant to the Company and its business.

All Directors had attended the Mandatory Accreditation Programme Part I prescribed by Bursa Securities prior to the official admission of the Company on the ACE Market of Bursa Securities on 5 September 2024, saved for Aznita Binti Abdul Aziz, who was appointed on 1 November 2024 and shall complete her Mandatory Accreditation Programme ("MAP") Part I within 4 months from her appointment date in accordance with the AMLR. She had completed MAP Part I on 21 January 2025.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### DIRECTORS' TRAINING (CONT'D)

The training programmes, seminars and / or conferences attended by the Directors in office as at 31 December 2024 were as follows:-

Directors	Name of Seminars and Training Programme Attended
Tan Sri Acryl Sani Bin Hj. Abdullah Sani	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part II: Leading for Impact (LIP)</li> </ul>
Dato' Sharman Kristy A/L Michael	<ul style="list-style-type: none"> <li>Ikrar Bebas Rasuah (IBR) Bersama SPRM</li> </ul>
Salimi Bin Khairuddin	<ul style="list-style-type: none"> <li>Ikrar Bebas Rasuah (IBR) Bersama SPRM</li> </ul>
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	<ul style="list-style-type: none"> <li>Mandatory Accreditation Programme Part I</li> </ul>
Zariner Binti Ismail	<ul style="list-style-type: none"> <li>Double Materiality Assessment for Sustainability Reporting: Challenges of Regulator Evolutions</li> <li>Corporate Board Leadership Symposium 2024</li> <li>Navigating Sustainability Reporting: Insights on National Sustainability Reporting Framework (NSRF), International Financial Reporting Standards (IFRS) S1 &amp; S2</li> </ul>
Aznita Binti Abdul Aziz (Appointed on 1 November 2024)	-

The Board, through the NC and with the assistance of the Company Secretaries, shall continue to determine the training needs of the Directors to enhance their knowledge to ensure they abreast with the development of the Group's business and industry that may affect their roles and responsibilities.

#### COMPANY SECRETARIES

The Board is supported by two qualified and competent external Company Secretaries who are members of the Malaysian Institute of Chartered Secretaries and Administrators. They have unrestricted access to the advice and services of the Company Secretaries for the purpose of the Board's affairs and the Company's business.

The Company Secretaries fulfil an advisory role to the Board, ensuring adherence to the provisions of the Company's Constitution, policies and procedures of the Company and the Company's compliance with regulatory requirements, codes, guidance and legislation. They also assist in facilitating Board Effectiveness Assessment of the Board and Board Committees, Independent Directors, Individual Directors, the Board skills matrix for the financial year ended 31 December 2024.



## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### NOMINATION COMMITTEE

The NC was established for assisting the Board in fulfilling its fiduciary duties in relation to:-

- review the NC's TOR annually or as and when necessary;
- review the Board and Officers' succession plans and make recommendations to the Board on succession planning policy for the Officers of the Group;
- identify and recommend to the Board, suitable candidates for appointment as Directors as well as candidates to fill the Board Committees, after taking into consideration the following attributes of candidates:-
  - (i) skills, qualifications, knowledge, expertise, experience, professionalism and integrity;
  - (ii) commitment which includes time commitment;
  - (iii) in the case of the candidates for the position of Independent Non-Executive Directors, the NC would also evaluate the candidates' ability to discharge such responsibilities as expected from such position; and
  - (iv) the Board's diversity in terms of age, gender and culture background;
- review the structure, size, balance and composition of the Board on an annual basis to ensure that the Board has the appropriate mix of skills, independence, experience and other qualities including core competencies to function effectively and efficiently;
- perform annual evaluation and appraisal on the performance of the Board as a whole, the committees of the Board as well as the contribution and performance of each individual Director, on an annual basis;
- deliberate and recommend any termination or removal of Director of the Company (if necessary) due to appropriate reasons in accordance with the relevant laws and regulations;
- facilitate and recommend suitable orientation, educational and training programmes to ensure Directors receive appropriate continuous training in order to maintain an adequate level of competency to discharge their responsibilities and performance;
- consider and examine such other matters as the NC considers appropriate; and
- consider any other matters as delegated by the Board.

The NC discharges its functions and carries out its duties as set out in its terms of reference ("NC's TOR"), which is available on the Company's website at <https://www.steelhawk.com.my>.

The NC was initially led by Haslinda Binti Hussein an Independent Non-Executive Director and then handed over to Aznita Binti Abdul Aziz, an Independent Non-Executive Director who was appointed on 1 November 2024 to fill the vacancy of the chairperson after Haslinda Binti Hussein resigned as Director of the Company on 30 September 2024. The appointment of an Independent Director as the chairperson of the NC is in line with Practice 5.8 of the Malaysian Code on Corporate Governance 2021.

The NC members as at the date of this report comprises exclusively of three Non-Executive Directors, all of whom are independent, which is in line with Rule 15.08 the AMLR:-

Name	Designation	Status of Directorship
Aznita Binti Abdul Aziz	Chairperson	Independent Non-Executive Director
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	Member	Independent Non-Executive Director
Zariner Binti Ismail	Member	Independent Non-Executive Director

The NC carries out the following activities during the financial year 2024:-

- Assessed the nominated candidate's skills, expertise, experience, professionalism, commitment, integrity, character and competence, and recommended her appointment as a Director of the Company to the Board for approval;
- Assessed the candidate and recommended to the Board on the appointment of a new member for each Board Committee;
- Recommended to the Board on re-election of Directors who retired pursuant to the Company's Constitution once the Directors met the fit and proper criteria set out in the Company's Fit and Proper Policy;

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

### NOMINATION COMMITTEE (CONT'D)

The NC carries out the following activities during the financial year 2024 (Cont'd):-

- Reviewed and assessed the mix of skills, expertise, composition, size and experience required by the Board;
- Reviewed and assessed the effectiveness of each individual Director by undertaking an evaluation process involving peer-assessment and self-assessment by Directors;
- Reviewed and assessed the effectiveness of the Board and Board Committees;
- Reviewed and assessed the independence of the Independent Directors based on the criteria set out in the AMLR of Bursa Securities;
- Reviewed and assessed the terms of office, competency and performance of the Audit and Risk Management Committee, Nomination Committee and Remuneration Committee;
- Reviewed the revised NC's TOR and recommended the same to the Board for approval;
- Reviewed the training needs for Directors;
- Establishing Succession Planning Framework; and
- Reviewed and issued this NC's report for inclusion into the Annual Report.

### REMUNERATION COMMITTEE

The RC was established for assisting the Board in:-

- reviewing the remuneration package of Executive Directors, Non-Executive Directors and Officers of the Group and recommending to the Board for approval. It aimed at determining equitable remuneration packages to attract, retain and motivate them; and
- recommending the engagement of external professional advisors to assist and / or advise the RC, on remuneration matters, as and when necessary.

The RC discharges its functions and carries out its duties as set out in its terms of reference ("RC's TOR"), which is available on the Company's website at <https://www.steelhawk.com.my>.

As at the date of this Annual Report, the RC comprises exclusively of three Independent Non-Executive Directors, as follows:-

Name	Designation	Status of Directorship
Y.M. Tengku Saifan Raffhan Bin Tengku Putra	Chairman	Independent Non-Executive Director
Aznita Binti Abdul Aziz	Member	Independent Non-Executive Director
Zariner Binti Ismail	Member	Independent Non-Executive Director

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE A: BOARD LEADERSHIP AND EFFECTIVENESS (CONT'D)

#### REMUNERATION COMMITTEE (CONT'D)

For the financial year ended under review, the RC had reviewed the remuneration package of the new director, Aznita Binti Abdul Aziz and recommended to the Board for approval prior to her appointment on 1 November 2024. The RC also reviewed the remuneration of the Executive Directors, Non-Executive Directors and Officers of the Group and recommended to the Board for their further recommendation to the shareholders for approval at the forthcoming Annual General Meeting pursuant to Section 230(1) of the Companies Act 2016. The remuneration of Directors of the Company and of the Group for the financial year ended 31 December 2024 are as follows:-

No	Name	Directorate	Company (RM '000)							Group (RM '000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Acryl Sani Bin Hj. Abdullah Sani	Independent Director	144	-	-	-	-	12	156	144	-	-	-	-	12	156
2	Dato' Sharman Kristy A/L Michael	Executive Director	120	-	-	-	-	8	128	120	-	565	-	28	8	721
3	Salimi Bin Khairuddin	Executive Director	48	-	-	-	-	7	55	48	-	66	-	15	7	136
4	Y.M. Tengku Saifan Rafhan Bin Tengku Putra	Independent Director	48	-	-	-	-	10	58	48	-	-	-	-	10	58
5	Zariner Binti Ismail	Independent Director	48	-	-	-	-	9	57	48	-	-	-	-	9	57
6	Haslinda Binti Hussein (Resigned on 30 September 2024)	Independent Director	45	-	-	-	-	10	55	45	-	-	-	-	10	55
7	Aznita Binti Abdul Aziz (Appointed on 1 November 2024)	Independent Director	10	-	-	-	-	1	11	10	-	-	-	-	1	11

However, the Board decided to depart from making disclosures of the top five key senior management's remuneration in bands width of RM50,000 as the Board is of the opinion that such disclosure may cause tension among the key senior management. The Board believes such named disclosures are not in the Company's best interest, given the competitive human resource market in the industries the Group operates, and the Company to protect the confidentiality of personal information especially on the employees' remuneration packages.

# CORPORATE GOVERNANCE OVERVIEW STATEMENT

## PRINCIPLE B: EFFECTIVE AUDIT AND RISK MANAGEMENT

### AUDIT AND RISK MANAGEMENT COMMITTEE

The ARMC comprises three members of the Board, all of whom are Independent Non-Executive Directors. This is in line with Rules 15.09 and 15.10 of the AMLR of Bursa Securities and MCCG Practices. The chairperson of the ARMC is a Fellow member of Association of Chartered Certified Accountants (ACCA) and a member of the Malaysian Institute of Accountants (MIA), having over 30 years of experience in various accounting and financial management positions. None of the current ARMC members is a former partner of the external audit firm of the Group.

The Board reviews the composition of the ARMC annually to maintain an independent and effective ARMC in accordance with the MCCG Practices. The ARMC members are expected to continuously enhance their knowledge and skills.

The ARMC reviews, assesses and monitors the performances, suitability and independence of the external auditors, taking into consideration the quality of the audited financial statement, feedback from the Management as well as the external Auditors' confirmation on their independence from time to time.

Further information on the ARMC's composition and the work performed by the ARMC are set out in the ARMC Report on pages 112 to 114 of this Annual Report.

### RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

In recognising the significance of safeguarding shareholder interests, both the Board and Management have emphasized the establishment of a robust risk management system and internal control. The Group has meticulously formalised a comprehensive risk management and internal control framework, delineating the detailed processes of risk identification, evaluation, treatment, monitoring and review. This framework extends across various facets of the Group's operations, including but not limited to compliance, operations, finance and technology, as the Group actively seeks alternative methods to enhance efficiency and eliminate operational weaknesses. The Board recognises the inherent limitations of such systems, acknowledging that they provide reasonable, but not absolute, assurance against significant misstatements or losses.

Aligned with this framework, the Group has implemented the Enterprise Risk Management ("ERM") framework, encompasses risk awareness creation, knowledge building, strategic risk and opportunity assessment and the development of action plans and key risk indicators. Risk identified and monitored are reported quarterly to the ARMC, with proposed mitigating plans to address identified risk. The Group has outsourced enterprise risk management advisory services to Axcelasia Sdn. Bhd. ("Axcelasia"), who is responsible for conducting reviews and audits to assess the adequacy and effectiveness of material internal controls on significant risks and reporting directly to the ARMC the significant matters, any material noncompliance or lapses in internal controls, along with their recommendation on the mitigating actions.

The Board has delegated these specific responsibilities to the ARMC to assist in the oversight of risk management and internal control systems, ensuring continuous assessment and improvement of the Group's governance practices through regular review and monitoring activities.

Details of the Group's risk management and internal control system are set out in the Statement on Risk Management and Internal Control on pages 117 to 121 of this Annual Report.

### INTERNAL AUDIT FUNCTION

The Group had engaged Axcelasia Sdn. Bhd. ("Axcelasia") as the internal auditors of the Group to perform internal audit functions with impartiality, proficiency and due professional care. Axcelasia undertakes regular monitoring of the Group's key controls and procedures with professional mechanism, which is an integral part of the Group's internal control system. Axcelasia reports directly to the ARMC to ensure independency.

Further information on the activities carried out by Axcelasia are set out in the Statement on Risk Management and Internal Control on pages 117 to 121 of this Annual Report.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS

#### ENGAGEMENT WITH STAKEHOLDERS

The Board is committed to ensuring that communications to stakeholders and the public is effective and on timely basis. The Board also aims to promote and demonstrate a high standard of integrity and transparency through timely, accurate and full disclosure, enabling investors to make informed decisions in valuing the Company's shares.

As part of daily business activities and through structured processes, our business routinely engages with customers, suppliers, regulators, and industry bodies. Detailed information about our approach to stakeholder engagement and specific activities during the financial year ended 31 December 2024 can be found in the Sustainability Statement on pages 46 to 98 of this Annual Report.

The Company had adopted a Stakeholder Communication Policy, detailing several communication channels for our stakeholders, including our shareholders and the public, to access the corporate information of the Company as well as communication with the Company on their enquiries or concerns. The Group's financial performance, major corporate development and any material information are disseminated to our stakeholders through announcements to Bursa Securities, media releases and Annual Report and that the same are also available on the Company's website at <https://www.steelhawk.com.my>. The release of announcements and information by the Group to Bursa Securities are handled by the Deputy Chairman / Executive Director or the Company Secretaries within the prescribed requirements of the AMLR and guided by the Corporate Disclosure Guide issued by Bursa Securities. As these announcements and information can be price-sensitive, they are only released after having been reviewed by the principal officers and / or the Board when necessary.

The Board is also of the view that general meetings are an important communication channel with our shareholders. The Chairman encourages the shareholders' active participation during the general meetings, including raising their enquiries or concerns on the Group's strategic direction, financial performance, business operations and the relevant proposed resolutions.

In addition, all stakeholders of the Company are allowed to contact or communicate with the Company on their enquiries or concerns through the designated telephone, facsimile, e-mail or by post to the designated office, details as indicated in the Group's CG Report 2024.

#### CONDUCT OF GENERAL MEETINGS

General meetings represent an important channel for the Board and Management of the Company to communicate with its shareholders and address their concerns. All Directors and key management personnel attended the Extraordinary General Meeting ("EGM") and the Third Annual General Meeting ("3<sup>rd</sup> AGM") of the Company held on 22 January 2024 and 25 June 2024 respectively, and they are available to provide responses to any queries raised by the shareholders during the general meetings. All shareholders are encouraged to participate, raise questions and vote on important matters within the Group at the general meetings, such as the re-election of the retiring Directors of the Company, business operations, etc.

In addition, the Principal Advisers, UOB Kay Hian Securities (M) Sdn. Bhd. attended the aforementioned general meetings to facilitate the Board in providing clarification to the shareholders, if required. The external auditors also attended the 3<sup>rd</sup> AGM held on 25 June 2024 to provide clarification on the Company's financial statements.

The Company conducted the EGM virtually through live streaming and online remote voting via RPV facilities provided by Tricor Investor & Issuing House Services Sdn. Bhd. in Malaysia via Tricor's TIH Online website at <https://tiih.online> on 22 January 2024 while the 3<sup>rd</sup> AGM of the Company was conducted physically at Greens III Sports Wing, Tropicana Golf & Country Resort, Jalan Kelab Tropicana, 47410 Petaling Jaya, Selangor, Malaysia on 25 June 2024.

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

### PRINCIPLE C: INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS (CONT'D)

#### CONDUCT OF GENERAL MEETINGS (CONT'D)

Notice of the 3<sup>rd</sup> AGM of the Company had been advertised in a nationwide newspaper namely The Star, published on the Company's website and circulated to shareholders at least 28 days prior to the meeting on 27 May 2024 in accordance with Practice 13.1 of the MCGG. Besides, Notice of the EGM had been advertised in The Star, published on the Company's website and circulated to shareholders at least 21 days prior to the EGM on 29 December 2023 in accordance with the provision of the Company's Constitution.

The minutes of the EGM and the 3<sup>rd</sup> AGM of the Company held on 22 January 2024 and 25 June 2024 respectively, had been published on the Company's website within 30 business days after the conclusion of each meeting.

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

The Audit and Risk Management Committee (“ARMC”) was established on 27 February 2024 in assisting the Board to fulfill its fiduciary duties in the following areas:-

- (a) in complying with specified accounting standards and required disclosure as administered by Bursa Securities, relevant accounting standards bodies, and any other laws and regulations as amended from time to time;
- (b) in presenting a balanced and understandable assessment of the Company’s position and prospects;
- (c) in establishing a formal and transparent arrangement for maintaining an appropriate relationship with the Company’s external and internal auditors; and
- (d) in maintaining a sound system of internal controls and risk management to safeguard shareholders’ investment and the Company’s assets.

The ARMC discharges its functions and carries out its duties as set out in its terms of reference (“NC’s TOR”), which is available on the Company’s website at <https://www.steelhawk.com.my>. The ARMC is permitted to request any information it needs from management and the relevant external parties, as well as to investigate any problems or concerns it deems necessary.

## COMPOSITION OF ARMC

The ARMC members as at the date of this report comprises exclusively of three Independent Non-Executive Directors, leading by Zariner Binti Ismail, which are in line with Rules 15.09 and 15.10 of the ACE Market Listing Requirements (“AMLR”) of Bursa Malaysia Securities Berhad (“Bursa Securities”) and Malaysian Code on Corporate Governance (“MCCG”) Practices.

Name	Designation	Status of Directorship
Zariner Binti Ismail	Chairperson	Independent Non-Executive Director
Y.M. Tengku Saifan Raffhan Bin Tengku Putra	Member	Independent Non-Executive Director
Aznita Binti Abdul Aziz	Member	Independent Non-Executive Director

All ARMC members possessed appropriate mix of skills, knowledge and experience. They are financially literate and have sound knowledge and understanding of financial reporting, management requirements as well as the Company’s business to discharge their duties and responsibilities.

The ARMC is supported by two Company Secretaries, namely Tan Lai Hong and Yap Siek Lee, who are qualified and licensed to act as Company Secretary under the Companies Act 2016. They are chartered secretaries and member of Malaysian Institute of Chartered Secretaries & Administrators (“MAICSA”).

Further details of the ARMC members are set out in the ‘Profile of Directors’ Section in this Annual Report.

## MEETINGS

The ARMC shall meet at least four times each year or upon the request of the Chairperson for any additional meetings as she considers necessary. As the ARMC was formed in the first quarter of 2024, there were only three ARMC meeting held after its formation on 27 February 2024 to the end of the financial year ended 31 December 2024, and the details of attendance are as follows:-

Name	Attendance	
Zariner Binti Ismail	100%	3/3
Y.M. Tengku Saifan Raffhan Bin Tengku Putra	100%	3/3
Haslinda Binti Hussein ( <i>Resigned on 30 September 2024</i> )	100%	2/2
Aznita Binti Abdul Aziz ( <i>Appointed on 1 November 2024</i> )	100%	1/1

# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## ARMC MEETINGS AND ATTENDANCE (CONT'D)

Meetings may be attended by other Board members and Management upon invitation from the ARMC. The ARMC has the authority to call meetings with the external auditors, internal auditors, or both without the presence of Executive Directors or Management, if necessary.

The Company Secretaries took minutes at each ARMC meeting session and tabled them for confirmation and adoption at the following ARMC meeting. They were then brought to the Board for notation. The outcome of each ARMC meeting will be reported by the ARMC Chairperson to the Board at the Board meeting held after the ARMC meeting.

## TERMS OF REFERENCE OF THE ARMC

The Terms of Reference of the ARMC, which is available on the Company's website at <https://www.steelhawk.com.my> and compliant with Rule 15.11 of the AMLR of Bursa Securities and the MCCG Practice, serve as a guideline for the ARMC. The ARMC will review its Terms of Reference as and when necessary for revision or modifications, with the latest revision being made on 7 April 2025 to expand the ARMC's roles and responsibilities in relation to the conflicts of interest, sustainability etc.

## SUMMARY OF ACTIVITIES

The following activities were carried out by the ARMC in the discharge of its functions and duties to meet its responsibilities during the financial year ended 31 December 2024:-

- (1) Financial Reporting
  - (a) Reviewed the semi-annually and / or quarterly financial results and recommended to the Board for approval;
  - (b) Reviewed the year-end financial statements of the Group;
  - (c) Reviewed and advised on the accuracy of the financial statements to ensure they present a true and fair view of the Company's financial position and performance and
- (2) External Auditors
  - (a) Reviewed and approved the external auditors' scope of work and audit plan prior to the commencement of annual audit of the Group;
  - (b) Reviewed the proposed external audit fees and recommended to the Board for approval;
  - (c) Reviewed the non-audit fees and related costs in respect of non-audit services rendered by the external auditors to ensure that their independence is not impaired, before recommending to the Board for approval;
  - (d) Reviewed and discussed with the external auditors on significant matters arising from the audit, significant judgements made by Management team, compliance with accounting standards, regulatory and other legal requirements as well as how these matters were addressed, and the audit report before reporting the same to the Board; and
  - (e) Evaluated the performance and independence of the external auditors and recommended their re-appointment to the Board for approval.
- (3) Internal Audit
  - (a) Reviewed and approved the internal auditors' scope of work and the internal audit plan;
  - (b) Reviewed and recommended the proposed internal auditors' fees to the Board for approval;
  - (c) Reviewed and discussed with the internal auditors, their audit findings and issues arising during the course of audit; and
  - (d) Reviewed the adequacy and effectiveness of corrective actions taken by Management team on all significant matters identified by the internal auditors.



# AUDIT AND RISK MANAGEMENT COMMITTEE REPORT

## SUMMARY OF ACTIVITIES (CONT'D)

The following activities were carried out by the ARMC in the discharge of its functions and duties to meet its responsibilities during the financial year ended 31 December 2024:-

- (4) Related Party Transactions ("RPT"), Recurrent Related Party Transactions ("RRPT") and Conflicts of Interest Situations
  - (a) Reviewed any RPT and RRPT that may arise within the Group, including any transaction, procedures or course of conduct that raises questions on management integrity, and reported to the Board;
  - (b) Monitored the reporting on any conflicts of interest situations or potential conflicts of interest situations involving the Directors and Officers that arose, persist or may arise within the Group; and
  - (c) Reviewed the policy and declaration form related to the conflicts of interest situations and recommended to the Board for approval and adoption.
- (5) Risk Management
  - (a) Reviewed the risk management framework, policies, and processes, which included identifying, managing, monitoring and mitigating significant risks of the Group, and recommended them to the Board for approval;
  - (b) Assessed the risk appetite and risk tolerance for the Group;
  - (c) Reviewed regulatory compliance reports, along with other reports within the ARMC's scope;
  - (d) Assessed and reviewed significant risks identified and the mitigating actions to be implemented;
  - (e) Ensure effective management of key risks in line with the Group's risk management policies and strategies;
  - (f) Assessed and reviewed the adequacy of resources allocated for risk management framework; and
  - (g) Reviewed and deliberated reports on non-compliance findings by regulatory agencies.
- (6) Sustainability
  - (a) Reviewed the Group's sustainability matters;
  - (b) Advised the Board and recommended business strategies in the area of sustainability; and
  - (c) Reviewed the disclosure statements relating to management of sustainability matters of the Group for inclusion in this Annual Report.
- (7) Other matters
  - (a) Monitored whistleblowing reporting;
  - (b) Reviewed and issued this Report for inclusion in this Annual Report;
  - (c) Reviewed the Corporate Governance Report for the financial year ended 31 December 2024; and
  - (d) Reviewed the Statement on Risk Management and Internal Control, Corporate Governance Overview Statement and Management Discussion and Analysis of Business Operations and Financial Performance on behalf of the Board for inclusion in this Annual Report.

## ARMC'S PERFORMANCE REVIEW

The annual review of the performance and effectiveness of the ARMC has been carried out for the financial year ended 31 December 2024 by the Nomination Committee of the Company. The Board was satisfied that the ARMC had discharged their functions, duties and responsibilities in accordance with its terms of reference during the financial year ended 31 December 2024.

# ADDITIONAL COMPLIANCE INFORMATION

## 1. AUDIT AND NON-AUDIT FEES

The amount of audit and non-audit fees incurred for services rendered to the Group by the External Auditors of the Group for the financial year ended 31 December 2024 ("FYE 2024") are as follows:-

	Group (RM)	Company (RM)
Audit Fees	150,000	30,000
Non-Audit Fees	608,000	608,000

Non-audit fees payable to the External Auditors for the FYE 2024 by the Group covering the limited assurances on the Sustainability Statement and Statement on Risk Management and Internal Control, services related to the transfer of listing from the LEAP Market to the ACE Market of Bursa Malaysia Securities Berhad, and the review of interim consolidated financial statements.

## 2. MATERIAL CONTRACTS

Saved for the below, as disclosed in the Company's Prospectus dated 16 August 2024, there were no material contracts (not being contracts entered into in the ordinary course of business) entered into by the Company and / or its subsidiaries, involving the Directors and major shareholders' interests, either still subsisting at the end of the FYE 2024 or entered into since the end of the previous financial year:-

- (a) Service Agreement dated 1 March 2024 between the Company and Dato' Sharman Kristy A/L Michael ("Dato' Sharman"), for the appointment of Dato' Sharman as our Deputy Chairman / Executive Director for 5 years commencing from 7 April 2022 at a monthly salary of RM50,000; and
- (b) Underwriting Agreement dated 1 July 2024 between the Company and UOB Kay Hian Securities (M) Sdn Bhd (Registration No. 199001003423 (194990-K)), the Principal Adviser of the Company's initial public offering ("IPO") exercise, for the purpose of underwriting up to 36,750,000 ordinary shares, at an underwriting commission at the rate of 2.00% of the total value of the ordinary shares at the IPO Price of RM0.15 per share.

## 3. UTILISATION OF PROCEEDS

The Company undertook its IPO exercise in 2024 and was listed on the ACE Market of Bursa Malaysia Securities Berhad on 5 September 2024. Pursuant to the said IPO, the Company successfully raised gross proceeds of RM13.5 million from the Public Issue of 90,000,000 new ordinary shares and the Offer for Sale of 44,700,000 ordinary shares by way of private placement at an issue price of RM0.15 per share on 5 September 2024.

## ADDITIONAL COMPLIANCE INFORMATION

### 3. UTILISATION OF PROCEEDS (CONT'D)

As at 31 December 2024, the Company had utilised approximately RM4.00 million of the total gross proceeds, details of which are as described in the following table:- (Cont'd)

Detail of use of proceeds		Estimated utilisation timeframe from 5 September 2024	Proposed utilisation	Utilised as at 31 December 2024	
			RM'000	RM'000	%
(i)	Construction of the Proposed Teluk Kalung Facility 2	Within 24 months	7,000	-	0.00
(ii)	Working capital	Within 18 months	2,000	500	25.00
(iii)	Repayment of bank borrowings	Within 6 months	1,000	-	0.00
(iv)	Estimated expenses for the Transfer	Within 3 months	3,500	3,500	100.00
		<b>Total</b>	<b>13,500</b>	<b>4,000</b>	<b>29.63</b>

All the abovementioned allocated IPO proceeds have not been fully utilized as at the date of this report.

### 4. RECURRENT RELATED PARTY TRANSACTIONS OF A TRADING OR REVENUE NATURE

There were no recurrent related party transactions of a trading or revenue nature entered by the Group during the FYE 2024.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## INTRODUCTION

The Board of Directors (“**the Board**”) of Steel Hawk Berhad and its subsidiaries (“**the Group**”) is pleased to present this Statement on Risk Management and Internal Control (“**SORMIC**”) for the financial year ended 31 December 2024. This statement has been prepared in compliance with Paragraph 15.26 (b) of the ACE Market Listing Requirement of Bursa Malaysia Securities Berhad and is guided by the “Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers”.

## BOARD’S RESPONSIBILITIES

The Board is responsible for ensuring the adequacy and effectiveness of the Group’s risk management framework and internal control systems to safeguard shareholders’ investments, the Group’s assets, and other stakeholders’ interests.

The Board acknowledges its overall responsibility for the long-term success of the Group and the delivery of sustainable values to its stakeholders. In fulfilling these obligations, the Board is committed to maintaining and enhancing these systems while continuously monitoring their adequacy and effectiveness to support the achievement of the Group’s objectives.

Rather than eliminating risks entirely, the risk management framework and internal control system are designed to manage risks within acceptable threshold. The Board recognises the inherent limitations of such systems, acknowledging that they provide reasonable, but not absolute, assurance against significant misstatements or losses.

Key responsibilities include:

1. Identifying principal risks and ensuring implementation of appropriate internal controls and mitigation measures to achieve a proper balance between risks incurred and potential returns to shareholders.
2. Reviewing the information and risk management and internal control system and the effectiveness of the management.
3. Overseeing the conduct of the Group’s business to ensure it is properly managed, including supervising and assessing corporate behaviour and conduct of the business.

The Audit and Risk Management Committee (“**ARMC**”), guided by its Terms of Reference, acts as a key advisor to the Board. The ARMC’s key responsibilities in risk management and internal control include:

1. Overseeing the Group’s overall risk management framework and policies.
2. Reviewing the risk management framework, policies and processes, which include identifying, managing, monitoring, treating and mitigating significant risks of the Group.
3. Reviewing and assessing the risk appetite and risk tolerance of the Group.
4. Reviewing the significant risks identified and assessing the mitigating actions put in place to manage these risks.
5. Ensuring that the key risks are effectively managed in accordance with the Group’s risk management policies and strategies.
6. Ensuring that an appropriate risk reporting structure is established to facilitate reporting of risks to management and the Board.
7. Reviewing the Statement on Risk Management and Internal Control for inclusion in the Company’s Annual Report.

The ARMC holds a minimum of four meetings annually and has explicit authority to investigate any matter within its terms of reference. It has full and unrestricted access to all relevant information, documents, both internal and external auditors, and the management of the Group to carry out its duties.

In line with this requirement, the ARMC convened three times during the financial year ended 31 December 2024. While the Company was listed on the LEAP Market, the ARMC met semi-annually. However, following the transfer of listing to the ACE Market on 5 September 2024, the ARMC now meets on a quarterly basis, aligning with the minimum four meetings required annually.

The Board has delegated these specific responsibilities to the ARMC to assist in the oversight of risk management and internal control systems, ensuring continuous assessment and improvement of the Group’s governance practices through regular review and monitoring activities.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## GOVERNANCE STRUCTURE

The governance structure supports effective risk management and internal control:

1. Board Committees: Oversight by ARMC, Nominating Committee (“**NC**”), and Remuneration Committee (“**RC**”).
2. Management: Implementation by GCEO and key management personnel.
3. Board Review: Regular review of risk management and internal control effectiveness through established reporting mechanisms.

## INTERNAL AUDIT FUNCTION

The Board recognises the importance of continuous and effective monitoring to maintain a robust internal control system. During the financial year ended 31 December 2024, the Group outsourced its internal audit function to Tricor Axcelasia Sdn Bhd, independent external consultant. These consultants operate autonomously and report directly to the ARMC on an annual basis.

The primary objective of the internal audit function is to assist the ARMC and the Board by independently assessing and evaluating the adequacy and effectiveness of the Group’s governance and internal control systems and recommending improvements where necessary. The internal audit service provider ensures adherence to the Group’s policies, procedures, and regulatory compliance.

The scope of the internal audit covers the following key areas:

1. Development of a risk-based internal audit strategy document
2. Execution of two (2) cycles of risk-based internal audit annually:
  - Cycle 1: Health, Safety and Environment (“**HSE**”) Management and Anti-Bribery and Anti-Corruption (“**ABAC**”).
  - Cycle 2: Quality Assurance and Quality Control (“**QAQC**”) and Financial Management.
3. Follow-up assessments on the implementation status of prior audit recommendations.

The audit reports produced are presented to the ARMC, ensuring that identified issues are addressed effectively and the management takes timely corrective actions.

The internal audit team operates with full independence and objectivity, free from any relationship or conflict of interest that could compromise their impartiality. The ARMC oversees the internal audit function, including reviewing the internal audit plan, findings, and assessments. This oversight ensures that the internal audit scope, resources, and competencies are adequate for executing responsibilities effectively.

The ARMC also evaluates management’s responses to audit recommendations and oversees any fraud investigations, ensuring continuous improvement in internal controls.

For the financial year ended 31 December 2024, the total cost incurred for the internal audit function was RM44,000.

## RISK MANAGEMENT AND INTERNAL CONTROL PROCESS

### Risk Assessment and Key Risks

During the financial year ended 31 December 2024, a comprehensive risk re assessment was facilitated by Tricor Axcelasia Sdn Bhd (“Tricor Axcelasia”) to evaluate and address the Group’s major risks. The exercise included identifying, analysing, and evaluating existing material risks and emerging risks relevant to the Group’s operations.

The outcomes of this assessment were discussed by the Audit and Risk Management Committee (“**ARMC**”) and subsequently shared to senior management for further review and action. The full risk register and updated risk profile shall be tabled for the Board’s final approval on 7 April 2025.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT AND INTERNAL CONTROL PROCESS (CONT'D)

### Risk Assessment and Key Risks (Cont'd)

Tricor Axcelasia had provided the Board with updates on internal controls during the Board Meetings, highlighting key issues and areas for improvement. Based on this process, the Group identified the following top five risks and their corresponding mitigation measures:

1. Reliance on key customer;
2. Non-compliance to regulatory requirements;
3. Untimely project completion;
4. Health and safety risk; and
5. Termination of licenses.

The Group continues to adopt a proactive approach to identifying, assessing, and managing risks to ensure its strategies remain relevant and aligned with the organisation's objectives.

### Internal Control Processes and Policies

The Board manages its risk through implementation of various internal control mechanisms. The key components of internal control systems in place are as follows:

#### 1. Establishment implementation of key corporate policies

##### i. Code of Conduct and Business Ethics Policy

The Group emphasises ethical behaviour and integrity in all business dealings. The Board has set a strong tone at the top to guide corporate behaviour and governance. The Code of Conduct serves as the main reference for employees, outlining expectations for interactions with both internal and external stakeholders. It also promotes discipline and order within the workplace.

##### ii. Whistleblowing Policy

A structured Whistleblowing Policy has been implemented, providing employees with a secure channel to report suspected or actual misconduct. This includes potential breaches of corporate ethics, non-compliance with legal or regulatory requirements, and other wrongdoings, ensuring transparency and accountability.

##### iii. Anti-Bribery and Corruption Policy

The Group adopts a zero-tolerance stance towards bribery.

##### iv. Integrity Policy

The Integrity Policy reinforces the Group's commitment to trust, responsibility, and professionalism. It establishes principles and procedures to address issues like bribery, corruption, and improper conduct. The policy also provides a framework for reporting concerns and maintaining a culture of integrity throughout the organisation.

##### v. Gender Diversity Policy

In alignment with the Malaysian Code on Corporate Governance 2021, this policy promotes diversity within the Board and Senior Management. The Group values gender diversity as a critical component of fostering balanced decision-making, with commitment to creating an inclusive culture free from harassment and discrimination. While specific targets are not mandated, the policy emphasises the importance of recruiting and retaining qualified female candidates.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT AND INTERNAL CONTROL PROCESS (CONT'D)

### Internal Control Processes and Policies (Cont'd)

The Board manages its risk through implementation of various internal control mechanisms. The key components of internal control systems in place are as follows: (Cont'd)

#### 2. Defined organisational structure and authority limit

The Group has a defined organisational structure and formalised Limit of Authority that clearly defines lines of responsibilities and authority levels.

#### 3. Management reporting

Management reports are presented by the respective division heads to the Management Committee / Executive Committee, providing information on the operational activities and financial performance.

The Group maintains an annual budget that encompasses financial and operating targets and performance indicators, which was presented to the Board. Monitoring of results in comparison to the annual budget was performed, with significant variance explained and appropriate actions taken.

#### 4. Defined Standard Operating Procedures and maintaining accreditations

The Standard Operating Procedures (“SOP”) are maintained, periodically reviewed and updated as and when necessary to ensure effective management of the Group’s operation.

In Steel Hawk, core processes have been established and supported by SOPs that reflect the company’s operational needs and objectives. These core processes include:

- i. Finance: Outlined in the Finance Manual, this process governs financial management, including budgeting, reporting, and compliance with financial regulations.
- ii. Human Resources (“HR”): Documented in the HR Admin Manual, this process outlines guidelines for managing recruitment, employee welfare, and administrative tasks effectively.
- iii. Procurement: Covered under both the Procurement SOP and the procedure for reimbursable cost-plus contracts, this ensures the effective and ethical sourcing of materials and services necessary for operations.
- iv. Information Technology (“IT”): Defined in the IT Policy, this process ensures the proper use, security, and management of IT resources within the organization.
- v. Health, Safety, and Environmental (“HSE”): Outlined in the HSE Manual, this process prioritises workplace safety and environmental sustainability across operations.
- vi. Quality Assurance and Quality Control (“QAQC”): Defined in the QAQC Manual, this process ensures that all deliverables meet the required standards and specifications.
- vii. Engineering: Documented procedures for engineering practices to ensure efficient and compliant execution of projects.

In addition, the Group, through its wholly owned subsidiary company, Steel Hawk Engineering Sdn Bhd (“Steel Hawk Engineering”), also maintains rigorous adherence to international and industry standards, as evidenced by its comprehensive certification portfolio.

#### i. ISO Certifications:

- ISO 9001:2015 Quality Management Systems certification from Intertek Certification Limited (Certified Number: Q1020288) was maintained and valid until 19 November 2027, covering Engineering Design, Manufacture, Installation and Maintenance Support Services for the Oil & Gas and Energy Industries.
- ISO 45001:2018 certification for occupational health and safety management systems was maintained and valid until 8 January 2026, encompassing management, human resources, purchasing support activities, and specialised serviced including fabrication, maintenance, and installation of Chemical Injection Skids, Pig Traps, and Fire Rated Doors.

# STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROL

## RISK MANAGEMENT AND INTERNAL CONTROL PROCESS (CONT'D)

### Internal Control Processes and Policies (Cont'd)

The Board manages its risk through implementation of various internal control mechanisms. The key components of internal control systems in place are as follows: (Cont'd)

#### 4. Defined Standard Operating Procedures and maintaining accreditations (Cont'd)

##### ii. Industry Registration:

Steel Hawk Engineering maintains an active Construction Industry Development Board (CIDB) registration with G7 classification, allowing unlimited-value project undertaking in:

- Building (B);
- Civil Engineering (CE); and
- Mechanical and Electrical (ME) services

This CIDB certification remains valid until May 20, 2027, contingent upon adherence to CIDB's terms and conditions, including renewal requirements and ethical construction practices.

These certifications demonstrate Steel Hawk Engineering's commitment to maintaining high standards in quality management, occupational safety, and compliance monitoring ensure continued adherence to these international and industry standards.

## REVIEW OF STATEMENT BY EXTERNAL AUDITORS

The external auditors conducted a review of this Statement on Risk Management and Internal Control in accordance with the scope outlined in the Audit and Assurance Practice Guide ("AAPG") 3. This guide, issued by the Malaysian Institute of Accountants ("MIA"), provides guidance for auditors on engagements to report on statements included in a company's annual report.

The auditor reported to the Board that, based on their review, nothing has come to their attention to suggest that the statement:

1. Has not been prepared in compliance with the disclosure requirements of paragraph 41 and 42 of the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers.
2. Contains factual inaccuracies.

It is important to note that AAPG 3 does not require the external auditors to assess whether the statement comprehensively covers all risks and controls, nor to form an opinion on the adequacy and effectiveness of the Group's risk management and internal control systems. Additionally, the auditors are not obliged to evaluate whether the processes described to address significant internal control issues disclosed in the annual report will successfully resolve those issues.

## CONCLUSION

The Board confirms that during the financial year ended 31 December 2024, there were no significant weaknesses or failures in the Group's internal control system that led to material losses for the Company. The existing review framework, risk management practices, and internal control systems have been assessed and are deemed to operate effectively and adequately, safeguarding the Group's interest and assets. While risks across the Group remain at an acceptable level, the Board is committed to implementing necessary measures to continuously enhance the effectiveness of these systems.

The Board has received assurance from the Deputy Chairman / Executive Director and the Chief Executive Officer of the respective operating company that the Group's system of internal controls and risk management are operating adequately and effectively, in all material aspects, based on the internal control system and risk management framework of the Group.

This Statement has been reviewed by the ARMC and subsequently approved by the Board on 7 April 2025.



# STATEMENT ON DIRECTORS' RESPONSIBILITY

## IN RELATION TO THE FINANCIAL STATEMENTS

The Board of Directors ("Board") of Steel Hawk Berhad is required to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year, and of the results and cash flows of the Group and of the Company for the financial year in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia ("the Act") and the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad.

In preparing the financial statements for the financial year ended 31 December 2024, the Board has:-

- adopted appropriate accounting policies and applied them consistently;
- ensured all applicable accounting standards have been complied with;
- made judgments and estimates that are reasonable and prudent; and
- prepared the financial statements on a going concern basis.

The Board is responsible to ensure that the Group and the Company keep proper accounting records, enabling the financial position of the Group and of the Company to be disclosed with reasonable accuracy as well as enabling them to ensure that the financial statements comply with the Act.

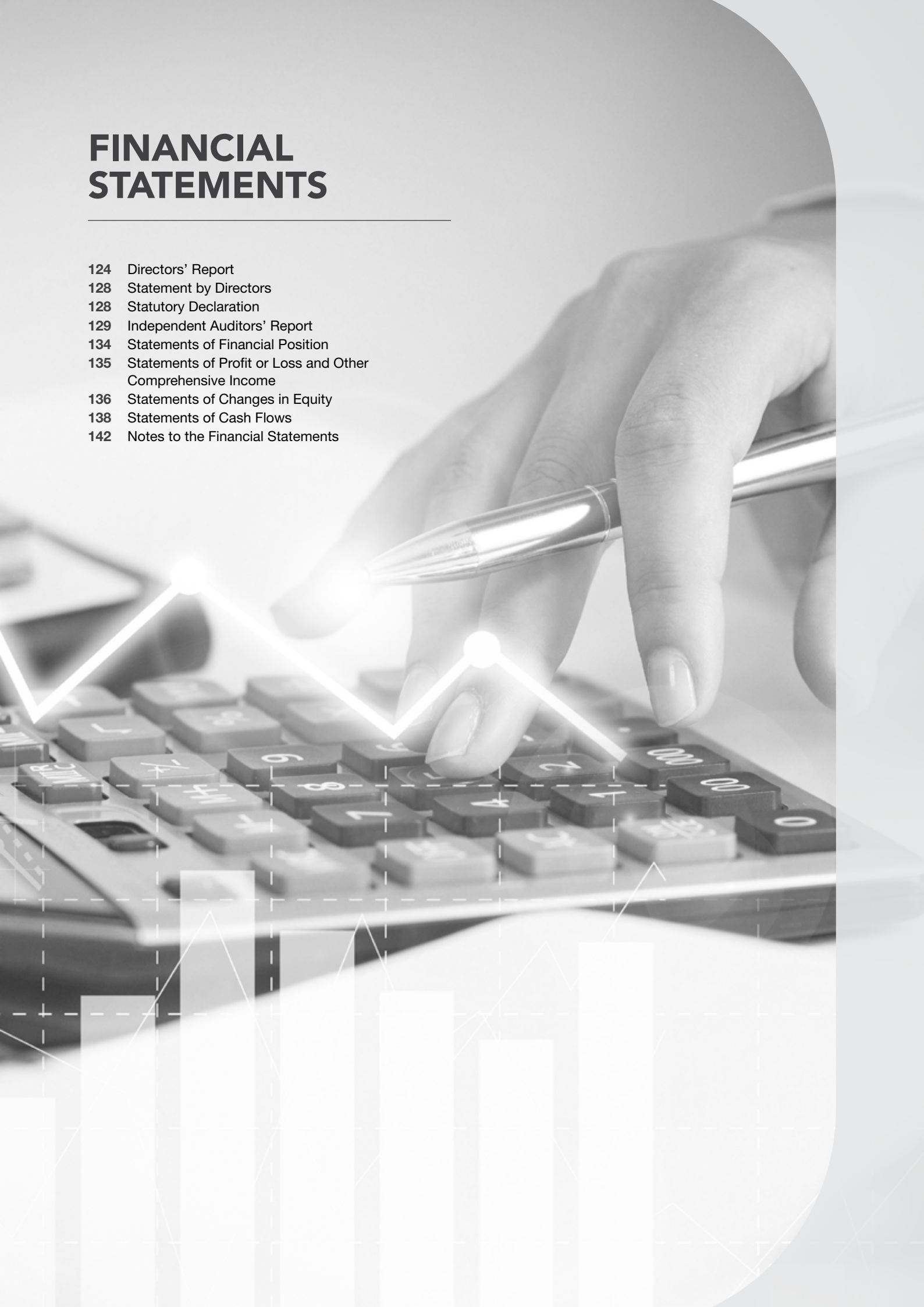
The Board is also responsible for taking such steps as are reasonably open to them to safeguard the assets of the Group and of the Company, and to detect and prevent fraud and other irregularities.

This Statement is made in accordance with a resolution of the Board of Directors dated 7 April 2025.

# FINANCIAL STATEMENTS

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# DIRECTORS' REPORT

The Directors hereby submit their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2024.

## Principal activities

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 4 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

## Subsidiaries

The details of the Company's subsidiaries are disclosed in Note 4 to the financial statements.

## Results

	Group RM'000	Company RM'000
Profit/(Loss) for the financial year attributable to: Owners of the Company	12,652	(4,243)

## Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the financial statements.

## Dividends

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the financial year under review.

## Directors

Directors of the Company who served during the financial year until the date of this report are:

Dato' Sharman Kristy A/L Michael  
Salimi Bin Khairuddin  
Tan Sri Acryl Sani Bin Hj. Abdullah Sani  
Y.M. Tengku Saifan Rafhan Bin Tengku Putra  
Zariner Binti Ismail  
Aznita Binti Abdul Aziz (Appointed on 1 November 2024)  
Haslinda Binti Hussein (Resigned on 30 September 2024)

Directors of Steel Hawk Engineering Sdn. Bhd. ("SHESB") who served during the financial year until the date of this report are:

Dato' Sharman Kristy A/L Michael  
Salimi bin Khairuddin  
Khairul Nazri bin Kamarudin

Directors of Steel Hawk Defence Sdn. Bhd. who served during the financial year until the date of this report are:

Dato' Sharman Kristy A/L Michael  
Datin Annie A/P V Sinniah

## DIRECTORS' REPORT

### Directors' interests in shares

The interests and deemed interests in the shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares			
	At 1.1.2024	Bought	Sold	At 31.12.2024
<b>Interests in the Company</b>				
Dato' Sharman Kristy A/L Michael	35,359,980	53,039,970	(39,448,950)	48,951,000
Tan Sri Acryl Sani Bin Hj. Abdullah Sani	-	1,000,000	-	1,000,000
Y.M. Tengku Saifan Rafhan Bin Tengku Putra	-	300,000	-	300,000
Zariner Binti Ismail	-	300,000	-	300,000
<b>Deemed interests in the Company</b>				
Salimi Bin Khairuddin <sup>(1)</sup>	73,440,020	110,160,030	(5,251,050)	178,349,000
Dato' Sharman Kristy A/L Michael <sup>(2)</sup>	16,000,000	32,951,000	-	48,951,000

- <sup>(1)</sup> Deemed interests by virtue of his interests in Radiant Capital Sdn Bhd pursuant to Section 8(4) of the Companies Act 2016.
- <sup>(2)</sup> Deemed interested by virtue of his spouse's shareholdings pursuant to Section 8 of the Companies Act 2016.

The other Directors holding office at 31 December 2024 did not have any interest in the shares of the Company and of its related corporations during the financial year.

### Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

The directors' benefits paid to or receivable by directors in respect of the financial year ended 31 December 2024 are as follows:

	From the Company RM'000	From subsidiary companies RM'000
Directors of the Company:		
Fees	463	-
Remuneration	-	631
Estimated money value of any other benefits	57	43
	520	674

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

## DIRECTORS' REPORT

### Issue of shares and debentures

On 11 March 2024, the Company completed the listing of and quotation for 240,000,000 bonus shares ("Bonus Shares") on LEAP Market of Bursa Securities on the basis of 3 Bonus Shares for every 2 existing shares. Accordingly, the number of ordinary shares increased from 160,000,000 to 400,000,000.

On 5 September 2024, the Company completed the listing of and quotation for 90,000,000 new ordinary shares ("Public Issue") on ACE Market of Bursa Securities of RM0.15 per ordinary shares. Accordingly, the number of ordinary shares increased from 400,000,000 to 490,000,000.

There were no other changes in the issued and paid-up capital of the Company during the financial year.

### Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

### Indemnity and insurance costs

During the financial year, no indemnity and insurance effected for Directors, officers and auditor of the Company.

### Qualification of subsidiaries' financial statements

The auditors' report on the audit of the financial statements of the Company's subsidiaries did not contain any qualification.

### Other statutory information

Before the financial statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

- i) there are no bad debts to be written off and no provision needs to be made for doubtful debts, and
- ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- i) that would render it necessary to write off any bad debts or provide for any doubtful debts, or
- ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or
- iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or
- iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

- i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or
- ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

## DIRECTORS' REPORT

### Other statutory information (Cont'd)

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2024 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

### Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The auditors' remuneration for the financial year ended 31 December 2024 is as follows:

	Group RM'000	Company RM'000
<b>KPMG PLT</b>		
Audit fees	150	30
Non-audit fees	608	608
	758	638

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....  
**Dato' Sharman Kristy A/L Michael**  
Director

.....  
**Salimi Bin Khairuddin**  
Director

Petaling Jaya, Selangor

Date: 7 April 2025

# STATEMENT BY DIRECTORS

## PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT 2016

In the opinion of the Directors, the financial statements set out on pages 134 to 173 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of their financial performance and cash flows for the year ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

.....  
**Dato' Sharman Kristy A/L Michael**  
Director

.....  
**Salimi Bin Khairuddin**  
Director

Petaling Jaya

Date: 7 April 2025

# STATUTORY DECLARATION

## PURSUANT TO SECTION 251(1)(B) OF THE COMPANIES ACT 2016

I, Dato' Sharman Kristy A/L Michael, the Director primarily responsible for the financial management of Steel Hawk Berhad, do solemnly and sincerely declare that the financial statements set out on pages 134 to 173 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Dato' Sharman Kristy A/L Michael, NRIC: 790412-08-6015, at Petaling Jaya in Selangor on 7 April 2025.

.....  
**Dato' Sharman Kristy A/L Michael**

Before me:



# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF STEEL HAWK BERHAD

(Registration No. 202001043293 (1399614-A))

(Incorporated in Malaysia)

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Steel Hawk Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Company, and the statements of profit or loss and other comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 134 to 173.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

#### Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Independence and Other Ethical Responsibilities*

We are independent of the Group and of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITORS' REPORT  
TO THE MEMBERS OF STEEL HAWK BERHAD

(Registration No. 202001043293 (1399614-A))  
(Incorporated in Malaysia)

Key Audit Matter (Cont'd)

Revenue recognition	
Refer to Note 14 - Revenue	
The key audit matter	How the matter was addressed in our report
<p>Revenue recognition is the presumed fraud risk for the audit.</p> <p>The main revenue streams of the Group are engineering, procurement, construction and commissioning ("EPCC") services and facilities improvement / maintenance, installation and maintenance ("I&amp;M") of oilfield equipment and supply of oilfield equipment.</p> <p>Revenue recognition is a key audit matter due to risk that revenue may be overstated arising from pressure faced by management in achieving performance targets.</p>	<p>The following are the audit procedures, among others, in respect of revenue recognition:</p> <ul style="list-style-type: none"><li>• Evaluated and tested the design, implementation and operating effectiveness over the internal controls including anti-fraud controls over revenue recognition; and</li><li>• Reviewed the manual journal entries or any unusual journal entries posted relating to revenue.</li></ul> <p>For revenue recognised over the period when services are rendered, we performed the following audit procedures:</p> <ul style="list-style-type: none"><li>• Tested sales transactions recorded to the acknowledged job completion ticket or summary report of service completion; and</li><li>• Evaluated whether sales transactions either side of the statement of financial position date are recognised in the correct period.</li></ul> <p>For those revenue arising from fixed-term contracts and recognised over time using the stage of completion method, we performed the following audit procedures:</p> <ul style="list-style-type: none"><li>• Inspected the approved sales contract and correspondence with customers;</li><li>• Evaluated management budgeted cost by assessing the basis of their calculation, which included supplier quotes and contracts awarded to suppliers;</li><li>• Inspected the actual costs incurred to the corresponding supporting documents;</li><li>• Recalculated the revenue using approved contract sum, actual costs incurred to date that reflect the progress towards completion of the contract; and</li><li>• With regards to projects whereby actual progress is behind planned progress, we understand the cause of the delays, inspected correspondence with customers and corroborated key judgement applied by Management as to whether provision for liquidated ascertained damages is required.</li></ul>

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF STEEL HAWK BERHAD

(Registration No. 202001043293 (1399614-A))

(Incorporated in Malaysia)

### Key Audit Matter (Cont'd)

Valuation of trade receivables and contract assets	
Refer to Note 6 - Contract assets, Note 7 – Trade and other receivables and Note 21.4 – Credit risk	
The key audit matter	How the matter was addressed in our report
<p>As of 31 December 2024, the trade receivables and contracts assets were approximately RM16,546,000 and RM32,014,000, respectively. The total of RM48,560,000 represented approximately 58% of the Group's total assets.</p> <p>The valuation of trade receivables and contract assets are a key audit matter as the recoverability and the level of impairment loss of trade receivables and contract assets are considered to be significant risks due to the pervasive nature of these balances to the financial statements.</p> <p>The level of impairment loss involves Director's judgement based upon the debtors' credit risk evaluation, historical payment trends and subsequent to period end collections. There is a risk that the Group's assessment of the level of these impairment loss is insufficient or inaccurate.</p>	<p>We performed the following audit procedures, amongst others, around the valuation of trade receivables and contract assets:</p> <p>We evaluated the appropriateness of the expected credit loss assessment in accordance with MFRS 9;</p> <ul style="list-style-type: none"> <li>We tested the accuracy of the underlying information of the trade receivables ageing used to assess the adequacy of impairment loss of trade receivables and contract assets;</li> <li>We checked the subsequent receipts against trade receivables and investigated the significant individual overdue balances by reference to track record of recoveries and review of correspondences with the customers and legal advisor, where applicable;</li> <li>We made inquiries of management regarding the actions plans to recover overdue amounts and obtained confirmation from customers to confirm the agreed settlement plans to recover overdue balances; and</li> <li>We considered the adequacy of the Group's disclosures about the degree of estimation involved in arriving at the impairment loss of trade receivables and contract assets.</li> </ul>

We have determined that there are no key audit matters in the audit of the separate financial statements of the Company to communicate in our auditor's report.

### Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements of the Group and the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the annual report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the annual report and, in doing so, consider whether the annual report is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the annual report, we are required to report that fact. We have nothing to report in this regard.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF STEEL HAWK BERHAD

(Registration No. 202001043293 (1399614-A))

(Incorporated in Malaysia)

### Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Group and of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the ability of the Group and of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

### Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control of the Group and of the Company.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group or of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the financial statements of the Group. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITORS' REPORT

## TO THE MEMBERS OF STEEL HAWK BERHAD

(Registration No. 202001043293 (1399614-A))  
(Incorporated in Malaysia)

### Auditors' Responsibilities for the Audit of the Financial Statements (Cont'd)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our auditors' report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

**KPMG PLT**  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants

Petaling Jaya, Selangor

Date: 7 April 2025

**Vengadesh A/L Jogarajah**  
Approval Number: 03337/12/2025 J  
Chartered Accountant

# STATEMENTS OF FINANCIAL POSITION

## AS AT 31 DECEMBER 2024

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Assets</b>					
Property, plant and equipment	2	11,821	6,387	4	5
Right-of-use assets	3	1,827	1,500	19	-
Investment in subsidiaries	4	-	-	4,708	4,708
<b>Total non-current assets</b>		13,648	7,887	4,731	4,713
Inventories	5	1,501	568	-	-
Contract assets	6	32,014	21,539	-	-
Trade and other receivables	7	26,621	4,301	11,296	3,296
Pledged deposits	8	4,950	6,705	-	-
Cash and cash equivalents	9	4,854	10,687	27	18
<b>Total current assets</b>		69,940	43,800	11,323	3,314
<b>Total assets</b>		83,588	51,687	16,054	8,027
<b>Equity</b>					
Share capital	10	20,249	7,808	20,249	7,808
Restructuring reserve	10	(3,108)	(3,108)	-	-
Retained earnings/Accumulated losses		29,235	16,583	(4,410)	(167)
<b>Total equity attributable to owners of the Company</b>		46,376	21,283	15,839	7,641
<b>Liabilities</b>					
Loans and borrowings	11	2,499	4,089	-	-
Lease liabilities		301	465	-	-
Deferred tax liabilities	12	552	430	-	-
<b>Total non-current liabilities</b>		3,352	4,984	-	-
Loans and borrowings	11	22,578	13,632	-	-
Lease liabilities		160	770	20	-
Trade and other payables	13	7,231	10,764	195	386
Current tax liabilities		3,891	254	-	-
<b>Total current liabilities</b>		33,860	25,420	215	386
<b>Total liabilities</b>		37,212	30,404	215	386
<b>Total equity and liabilities</b>		83,588	51,687	16,054	8,027

The notes on pages 142 to 173 are an integral part of these financial statements.

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Revenue	14	78,424	72,537	-	-
Cost of sales		(44,310)	(51,704)	-	-
<b>Gross profit</b>		34,114	20,833	-	-
Other income		138	153	88	-
Administrative expenses		(14,208)	(9,375)	(4,328)	(1,462)
<b>Results from operating activities</b>		20,044	11,611	(4,240)	(1,462)
Finance income		82	88	1	-
Finance costs	15	(2,085)	(1,355)	(4)	-
<b>Profit/(Loss) before tax</b>	16	18,041	10,344	(4,243)	(1,462)
Tax expense	17	(5,389)	(3,124)	-	(1)
<b>Net profit/(loss) and total comprehensive income/(expenses) for the year attributable to owners of the Company</b>		12,652	7,220	(4,243)	(1,463)
Basic earnings per ordinary share (sen)	18	2.95	1.81		

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The notes on pages 142 to 173 are an integral part of these financial statements.



# STATEMENTS OF CHANGES IN EQUITY

## FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Attributable to owners of the Company			Total RM'000
		Share capital RM'000	Restructuring reserve RM'000	Retained earnings RM'000	
<b>Group</b>					
<b>At 1 January 2023</b>		7,808	(3,108)	10,243	14,943
Net profit and total comprehensive income for the financial year		-	-	7,220	7,220
<i>Distribution to owners of the Company</i>					
Dividends to owners of the Company	19	-	-	(880)	(880)
<b>At 31 December 2023/1 January 2024</b>		7,808	(3,108)	16,583	21,283
Net profit and total comprehensive income for the financial year		-	-	12,652	12,652
<i>Contributions by owners of the Company</i>					
New shares issued by the Company for the Public Issue	10	13,500	-	-	13,500
New shares issuance expenses for the Public Issue	10	(1,059)	-	-	(1,059)
<b>At 31 December 2024</b>		20,249	(3,108)	29,235	46,376

&lt;-----Note 10-----&gt;

## STATEMENTS OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Attributable to owners of the Company		
		Non-distributable	Distributable Retained earnings/ (Accumulated losses)	Total
		Share capital RM'000	RM'000	RM'000
<b>Company</b>				
<b>At 1 January 2023</b>		7,808	2,176	9,984
Net profit and total comprehensive income for the financial year		-	(1,463)	(1,463)
<i>Distribution to owners of the Company</i>				
Dividends to owners of the Company		-	(880)	(880)
<b>At 31 December 2023/1 January 2024</b>		7,808	(167)	7,641
Net loss and total comprehensive expenses for the financial year		-	(4,243)	(4,243)
<i>Contributions by owners of the Company</i>				
New shares issued by the Company for the Public Issue	10	13,500	-	13,500
New shares issuance expenses for the Public Issue	10	(1,059)	-	(1,059)
<b>At 31 December 2024</b>		20,249	(4,410)	15,839
	Note 10			

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The notes on pages 142 to 173 are an integral part of these financial statements.

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	Group		Company	
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
<b>Cash flows from operating activities</b>					
Profit/(Loss) before tax		18,041	10,344	(4,243)	(1,462)
Adjustments for:					
Depreciation of property, plant and equipment	2	843	707	1	1
Depreciation of right-of-use assets	3	97	82	27	-
Loss/(Gain) on disposal of property, plant and equipment	16	242	(59)	-	-
Property, plant and equipment written-off	16	3	-	-	-
Gain on derecognition of right-of-use assets	16	-	(11)	-	-
Loss on modification of lease liabilities	16	3	-	-	-
Listing expenses	16	2,134	754	2,134	754
Interest expenses	15	2,085	1,355	4	-
Interest income	16	(82)	(88)	-	-
<b>Operating profit/(loss) before changes in working capital</b>		<b>23,366</b>	<b>13,084</b>	<b>(2,077)</b>	<b>(707)</b>
Changes in working capital:					
Inventories		(933)	(410)	-	-
Trade and other receivables		(22,320)	6,484	(8,000)	1,747
Trade and other payables		(3,533)	(3,129)	(191)	221
Contract assets		(10,475)	(10,129)	-	-
<b>Cash (used in)/generated from operations</b>		<b>(13,895)</b>	<b>5,900</b>	<b>(10,268)</b>	<b>1,261</b>
Tax paid		(1,630)	(4,756)	-	(1)
<b>Net cash (used in)/generated from operating activities</b>		<b>(15,525)</b>	<b>1,144</b>	<b>(10,268)</b>	<b>1,260</b>
<b>Cash flows from investing activities</b>					
Acquisition of property, plant and equipment	(ii)	(6,353)	(3,000)	-	-
Proceeds from disposal of property, plant and equipment		413	196	-	-
Interest income		82	88	-	-
Changes in pledged deposits		1,755	(2,491)	-	-
<b>Net cash (used in)/generated from investing activities</b>		<b>(4,103)</b>	<b>(5,207)</b>	<b>-</b>	<b>-</b>

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Cash flows from financing activities</b>					
Interest paid	15	(2,085)	(1,355)	(4)	-
Net drawdown of term loan		(2,017)	471	-	-
Net drawdown of trade financing		7,128	5,303	-	-
Net repayment of hire purchase		(673)	(331)	-	-
Repayment of lease liabilities		(1,201)	(343)	(26)	-
Proceeds from issuance of new shares		13,500	-	13,500	-
Payment of listing expenses		(3,193)	(754)	(3,193)	(754)
Dividend paid	19	-	(880)	-	(880)
<b>Net cash generated from/(used in) financing activities</b>		<b>11,459</b>	<b>2,111</b>	<b>10,277</b>	<b>(1,634)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>					
		(8,169)	(1,952)	9	(374)
Cash and cash equivalents at beginning of the year		4,465	6,417	18	392
<b>Cash and cash equivalents at end of the year</b>	(i)	<b>(3,704)</b>	<b>4,465</b>	<b>27</b>	<b>18</b>

**(i) Cash and cash equivalents**

Cash and cash equivalents included in the statements of cash flows comprise the following statements of financial position amounts:

		Group		Company	
	Note	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and cash equivalents	9	4,854	10,687	27	18
Bank overdraft	11	(8,558)	(6,222)	-	-
		<b>(3,704)</b>	<b>4,465</b>	<b>27</b>	<b>18</b>

**(ii) Acquisition of property, plant and equipment**

The Group acquired property, plant and equipment with an aggregate cost of RM6,935,000 (2023: RM3,911,000) of which RM582,000 (2023: RM671,000) were acquired by means of hire purchase.

STATEMENTS OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2024

(iii) Cash outflows for leases as a lessee

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Included in net cash from operating activities</b>					
Payment relating to short-term leases	16	2,109	2,239	-	-
<b>Included in net cash from financing activities</b>					
Payment of lease liabilities		1,201	343	26	-
Interest paid in relation to lease liabilities	15	78	35	4	-
<b>Total cash outflows for leases</b>		3,388	2,617	30	-

## STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2024

(iv) Reconciliation of movement of liabilities to cash flow arising from financing activities

Group	Acquisition of new hire		Net changes from financing cash flows		Remeasurement of lease liabilities		At 31.12.2023/1.1.2024		Acquisition of new hire purchase liabilities/new lease		Net changes from financing cash flows		Modification on of lease liabilities		At 31.12.2024	
	1.1.2023 RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Term loans	4,495	-	-	471	-	-	4,966	-	-	-	(2,017)	-	-	-	-	2,949
Trade financing	363	-	-	5,303	-	-	5,666	-	-	-	7,128	-	-	-	-	12,794
Hire purchase liabilities	527	671	-	(331)	-	-	867	582	582	(673)	-	-	-	-	-	776
Lease liabilities	111	1,518	(51)	(343)	(51)	(51)	1,235	402	402	(1,201)	25	25	25	25	25	461
Total liabilities from financing activities	5,496	2,189	(51)	5,100	(51)	(51)	12,734	984	984	3,237	25	25	25	25	25	16,980
Company	At 1.1.2023/31.12.2023/1.1.2024		Acquisition of new lease		Net changes from financing cash flows		At 31.12.2024		RM'000		RM'000		RM'000		RM'000	
	-		46		(26)		20		-		46		(26)		20	

The notes on pages 142 to 173 are an integral part of these financial statements.

# NOTES TO THE FINANCIAL STATEMENTS

Steel Hawk Berhad is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the ACE Market of Bursa Malaysia Securities Berhad. The addresses of the principal place of business and registered office of the Company are as follows:

## Principal place of business

No. 23-2, Block H, Dataran Prima,  
Jalan PJU 1/37,  
47301 Petaling Jaya,  
Selangor Darul Ehsan.

## Registered office

Unit 30-01, Level 30, Tower A,  
Vertical Business Suite, Avenue 3,  
Bangsar South, No. 8, Jalan Kerinchi,  
59200, Wilayah Persekutuan,  
Kuala Lumpur.

The consolidated financial statements of the Company as at and for the financial year ended 31 December 2024 comprise the Company and its subsidiaries (together referred to as the “Group” and individually referred to as “Group entities”). The financial statements of the Company as at and for the financial year ended 31 December 2024 do not include other entities.

The Company is principally engaged in investment holding, whilst the principal activities of the subsidiaries are as stated in Note 4 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors on 7 April 2025.

## 1. Basis of preparation

### (a) Statement of compliance

The financial statements of the Group and the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board (“MFRS Accounting Standards”), IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Group and the Company:

### ***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*



# NOTES TO THE FINANCIAL STATEMENTS

## 1. Basis of preparation (Cont'd)

### (a) Statement of compliance (Cont'd)

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026***

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements – Volume 11:
  - > Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - > Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - > Amendments to MFRS 9, *Financial Instruments*
  - > Amendments to MFRS 10, *Consolidated Financial Statements*
  - > Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027***

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*

***MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed***

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Company plan to apply the abovementioned accounting standards and amendments:

- from the annual period beginning on 1 January 2025 for the amendment that is effective for annual periods beginning on or after 1 January 2025.
- from the annual period beginning on 1 January 2026 for the amendments that are effective for annual periods beginning on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for the accounting standards that are effective for annual periods beginning on or after 1 January 2027.

The initial application of the abovementioned accounting standards and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Group and the Company.

### (b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis.

### (c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (“RM”), which is the Company’s functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

## NOTES TO THE FINANCIAL STATEMENTS

### 1. Basis of preparation (Cont'd)

#### (d) Use of estimates and judgements

The preparation of financial statements in conformity with MFRSs requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

- Note 6 and Note 7 – Valuation of Contract assets and Trade and other receivables

The recoverability and the level of impairment loss of trade receivables and contract assets involves Director's judgement based upon the debtors' credit risk evaluation, historical payment trends and subsequent to period end collections.

- Note 14 – revenue recognition in relation to fixed-term contracts

The Group recognised revenue by measuring the performance of work done by comparing the actual costs incurred with the estimated total costs required to complete the project. The Group applies judgement and assumptions in determining the estimated total costs required to complete the project.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. Property, plant and equipment

Group	Freehold buildings		Leasehold building		Computer and software		Furniture and fitting		Motor vehicle		Office equipment		Plant and machinery		Renovation		Signboard		Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Cost</b>																			
At 1 January 2023	1,300	-	392	97	1,916	183	1,152	594	15	5,649									5,649
Additions	-	2,480	128	38	936	21	244	64	-	3,911									3,911
Disposals	-	-	-	-	(644)	-	-	-	-	(644)									(644)
At 31 December 2023/ 1 January 2024	1,300	2,480	520	135	2,208	204	1,396	658	15	8,916									8,916
Additions	-	-	375	6	633	759	5,090	72	-	6,935									6,935
Disposals	-	-	-	-	(987)	-	-	-	-	(987)									(987)
Reclassification	-	-	-	-	-	(723)	723	-	-	-									-
Write-off	-	-	-	-	-	(11)	-	-	-	(11)									(11)
At 31 December 2024	1,300	2,480	895	141	1,854	229	7,209	730	15	14,853									14,853
<b>Accumulated depreciation</b>																			
At 1 January 2023	35	-	200	49	1,219	43	409	369	5	2,329									2,329
Depreciation for the year	26	18	83	12	367	19	129	52	1	707									707
Disposals	-	-	-	-	(507)	-	-	-	-	(507)									(507)
At 31 December 2023/ 1 January 2024	61	18	283	61	1,079	62	538	421	6	2,529									2,529
Depreciation for the year	26	73	132	12	313	24	205	57	1	843									843
Disposals	-	-	-	-	(332)	-	-	-	-	(332)									(332)
Write-offs	-	-	-	-	-	(8)	-	-	-	(8)									(8)
At 31 December 2024	87	91	415	73	1,060	78	743	478	7	3,032									3,032
<b>Carrying amounts</b>																			
At 1 January 2023	1,265	-	192	48	697	140	743	225	10	3,320									3,320
At 31 December 2023/ 1 January 2024	1,239	2,462	237	74	1,129	142	858	237	9	6,387									6,387
At 31 December 2024	1,213	2,389	480	68	794	151	6,466	252	8	11,821									11,821

## NOTES TO THE FINANCIAL STATEMENTS

## 2. Property, plant and equipment (Cont'd)

Company	Signboard RM'000
<b>Cost</b>	
At 1 January 2023/31 December 2023/1 January 2024/31 December 2024	8
<b>Accumulated depreciation</b>	
At 1 January 2023	2
Depreciation for the year	1
At 31 December 2023/1 January 2024	3
Depreciation for the year	1
At 31 December 2024	4
<b>Carrying amount</b>	
At 1 January 2023	6
At 31 December 2023/1 January 2024	5
At 31 December 2024	4

## 2.1 Assets under hire purchase

Carrying amount of property, plant and equipment held under hire purchase arrangement are as follows:

	Group	
	2024 RM'000	2023 RM'000
Motor vehicle	301	1,112

## 2.2 Security

At 31 December 2024, leasehold building with a carrying amount of RM2,389,000 (2023: RM2,462,000) was pledged to a bank to secure term loan granted to the Group as disclosed in Note 11.1.

## 2.3 Material accounting policy information

## (a) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation and any accumulated impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS

### 2. Property, plant and equipment (Cont'd)

#### 2.3 Material accounting policy information (Cont'd)

##### (b) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use.

The depreciation rates for the current and comparative periods based on their estimated useful lives are as follows:

• Freehold buildings	2%
• Leasehold building	3%
• Computer and software	20%
• Furniture and fitting	10%
• Motor vehicle	20%
• Office equipment	10%
• Plant and machinery	10%
• Renovation	10%
• Signboard	10%

Depreciation methods and useful lives are reviewed at the end of the reporting period, and adjusted as appropriate.

### 3. Right-of-use assets

	Leasehold Land RM'000	Buildings RM'000	Total RM'000
<b>Group</b>			
At 1 January 2023	-	104	104
Addition	1,409	109	1,518
Depreciation	(12)	(70)	(82)
Derecognition*	-	(40)	(40)
At 31 December 2023/1 January 2024	1,397	103	1,500
Addition	-	402	402
Depreciation	(47)	(50)	(97)
Modification <sup>#</sup>	22	-	22
At 31 December 2024	1,372	455	1,827

	Buildings RM'000
<b>Company</b>	
At 1 January 2023/31 December 2023/1 January 2024	-
Addition	46
Depreciation	(27)
At 31 December 2024	19

\* Derecognition of the right-of-use assets is as a result of early termination of lease contract.

<sup>#</sup> Modification of lease liability is as a result of early settlement of lease payment.

## NOTES TO THE FINANCIAL STATEMENTS

### 3. Right-of-use assets (Cont'd)

The Group leases a leasehold land and a number of buildings for its office and business operations that typically run between 2 years to 30 years. The leasehold land contains lease period of 30 years with an option to apply for an extension period for another 30 years with lease payment to be determined upon confirmation of extension which has not been recognised.

#### 3.1 Material accounting policy information

##### (a) Recognition and measurement

All right-of-use assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

##### (b) Recognition exemption

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### 4. Investment in subsidiaries

	Company	
	2024 RM'000	2023 RM'000
Cost of investment	4,708	4,708

Name of entity	Principal place of business/ Country of incorporation	Principal activities	Effective ownership interest and voting interest	
			2024 %	2023 %
Steel Hawk Engineering Sdn. Bhd. ("SHESB")	Malaysia	Provision of engineering, procurement, construction and commissioning ("EPCC") services and facilities improvement/maintenance, installation and maintenance ("I&M") of oilfield equipment and supply of oilfield equipment.	100	100
Steel Hawk Defence Sdn. Bhd. ("SHDSB")	Malaysia	Provision of manpower, materials and equipment support services.	100	100

#### 4.1 Material accounting policy information

Investments in subsidiaries are measured in the Company's statement of financial position at cost less any impairment losses.

## NOTES TO THE FINANCIAL STATEMENTS

### 5. Inventories

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At cost:</b>		
Oilfield and petrochemical equipment, engineering equipment and spare parts	1,501	568
Recognised in profit or loss:		
Inventories recognised as cost of sales	31,815	35,150

#### 5.1 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in, first out method.

### 6. Contract assets

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Contract assets	32,014	21,539

The contract assets primarily relate to the Group's rights to consideration for work completed but not yet billed at the reporting date. Typically, the amount will be billed upon achieving contract milestone.

Significant changes to contract assets balances during the period are as follows:

<b>Group</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Contract assets at the beginning of the period not transferred to trade receivables due to change in time frame	1,883	213

### 7. Trade and other receivables

	<b>Note</b>	<b>Group</b>		<b>Company</b>	
		<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Trade</b>					
Trade receivables from contracts with customers		16,546	3,488	-	-
<b>Non-trade</b>					
Other receivables		144	84	-	-
Deposits		176	203	1	1
Prepayment		96	151	2	19
Contract advances	7.1	9,659	375	-	-
Amount due from subsidiaries	7.2	-	-	11,293	3,276
		26,621	4,301	11,296	3,296



## NOTES TO THE FINANCIAL STATEMENTS

## 7. Trade and other receivables (Cont'd)

## 7.1 Contract advances

Contract advances consist of advances to suppliers, sub-contractors and service providers for the purchase of materials, construction / fabrication services and manpower supply.

## 7.2 Amount due from subsidiaries

The amount due from subsidiaries are unsecured, interest free and repayable on demand.

## 8. Pledged deposits

	Note	Group 2024 RM'000	2023 RM'000
The pledged deposits are for:			
Term loan facility	11.1	1,200	1,219
Bank overdrafts	11.4	1,250	1,200
Bank guarantee for contract with customers	21.5	2,500	4,286
		4,950	6,705

## 9. Cash and cash equivalents

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Cash and bank balances	4,704	10,537	27	18
Deposits placed with a licensed bank	150	150	-	-
	4,854	10,687	27	18

## 10. Share capital and reserves

## Share capital

	<-----Group and Company----->			
	Amount 2024 RM'000	Number of shares 2024 '000	Amount 2023 RM'000	Number of shares 2023 '000
Issued and fully paid shares with no par value of the Company classified as equity instruments:				
At 1 January	7,808	160,000	7,808	160,000
Effect of bonus issue	-	240,000	-	-
New share issued for the Public Issue	13,500	90,000	-	-
New share issuance expenses for the Public Issue	(1,059)	-	-	-
At 31 December	20,249	490,000	7,808	160,000

## NOTES TO THE FINANCIAL STATEMENTS

### 10. Share capital and reserves (Cont'd)

#### Share capital (Cont'd)

##### (a) Ordinary shares

The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at meetings of the Company.

On 11 March 2024, the Company completed the listing of and quotation for 240,000,000 bonus shares ("Bonus Shares") on LEAP Market of Bursa Securities on the basis of 3 Bonus Shares for every 2 existing shares. Accordingly, the number of ordinary shares increased from 160,000,000 to 400,000,000.

On 5 September 2024, the Company completed the listing of and quotation for 90,000,000 new ordinary shares on ACE Market of Bursa Securities of RM0.15 per ordinary shares. Accordingly, the number of ordinary shares increased from 400,000,000 to 490,000,000.

##### (b) Restructuring reserve

In the event where a new company is formed to facilitate a restructuring exercise, in which the new company itself is not a business, book value accounting is applied. The assets and liabilities acquired are recognised in the consolidated financial statements at their carrying amounts as if the restructuring had occurred before the start of the earliest period presented. The other components of equity of the acquired entity is added to the same component within Group entity.

The restructuring reserve comprises the difference between cost of investment recorded by the Company and the share capital of SHESB arising from the restructuring exercise.

### 11. Loans and borrowings

	Note	Group 2024 RM'000	2023 RM'000
<b>Non-current</b>			
<i>Secured:</i>			
Term loans	11.1	1,870	3,437
Hire purchase liabilities	11.2	629	652
		2,499	4,089
<b>Current</b>			
<i>Secured:</i>			
Term loans	11.1	1,079	1,529
Hire purchase liabilities	11.2	147	215
Trade financing	11.3	12,794	5,666
Bank overdrafts	11.4	8,558	6,222
		22,578	13,632
		25,077	17,721

## NOTES TO THE FINANCIAL STATEMENTS

### 11. Loans and borrowings (Cont'd)

#### 11.1 Term loans

The term loans consisting of:

- (a) The Term Loan I bears interest at rate of 11.70% (2023: 11.70%) per annum with 84 monthly repayment instalments. The term loan was secured and supported by:
- Credit Guarantee Corporation (M) Bhd (“CGC”) under the SMEBiz Solutions Portfolio Guarantee Scheme (“PGS”) of 70% of the facility limit;
  - Joint and several guarantees by all directors of SHESB.

The Term Loan I was fully repaid and securities was discharged during the financial year. The outstanding balance of Term Loan I as at the previous financial year was RM116,000.

- (b) The Term Loan II bears interest at rate of 3.50% (2023: 3.50%) per annum with 66 monthly repayment instalments. The term loan was secured and supported by:

- Guarantee by the government through Syarikat Jaminan Pembiayaan Perniagaan Berhad (“SJPP”) will cover 80% of the total facility limit;
- Pledged deposits of Nil (2023: RM19,000) as disclosed in Note 8;
- Joint and several guarantees by all directors of SHESB.

The Term Loan II was fully repaid and securities was discharged during the financial year. The outstanding balance of Term Loan II as at the previous financial year was RM455,000.

- (c) The Term Loan III bears interest at rate of 9.00% (2023: 9.00%) per annum with 37 monthly repayment instalments. The term loan is secured and supported by:

- Pledged deposits of RM1,200,000 (2023: RM1,200,000) as disclosed in Note 8;
- Joint and several guarantees by all directors of SHESB.

The outstanding balance of Term Loan III as at the financial year end is RM964,000 (2023: RM2,317,000). The Term Loan III was fully repaid and securities was discharged subsequent to the financial year end, in March 2025.

- (d) The Term Loan IV bears interest at rate of 4.50% (2023: 4.50%) per annum with 168 monthly repayment instalments. The term loan is secured and supported by:

- Leasehold building with carrying amount of RM2,389,000 (2023: RM2,462,000) as disclosed in Note 2;
- Joint and several guarantees by all directors of SHESB.

The outstanding balance of Term Loan IV as at the financial year end is RM1,985,000 (2023: RM2,078,000).

## NOTES TO THE FINANCIAL STATEMENTS

### 11. Loans and borrowings (Cont'd)

#### 11.2 Hire purchase liabilities

Hire purchase liabilities are payable as follows:

	Future minimum lease payments 2024 RM'000	Interest 2024 RM'000	Present value of minimum lease payments 2024 RM'000	Future minimum lease payments 2023 RM'000	Interest 2023 RM'000	Present value of minimum lease payments 2023 RM'000
<b>Group</b>						
Less than one year	209	62	147	252	37	215
Between one to five years	711	82	629	698	46	652
	920	144	776	950	83	867

The hire purchase liabilities bear interest rate at the range of 2.42% to 6.97% (2023: 2.49% to 5.51%) per annum.

#### 11.3 Trade financing

- (a) The Trade Financing I bears interest at rate of 7.95% (2023: 7.95%) per annum and is payable upon maturity. The trade financing is secured and supported by joint and several guarantees by all directors of SHESB.

The outstanding balance of Trade Financing I as at the financial year end is RM3,802,000 (2023: RM4,852,000).

- (b) The Trade Financing II bears interest at rate of 7.40% (2023: 7.40%) per annum and was payable upon maturity. The trade financing was secured and supported by joint and several guarantees by all directors of SHESB.

The Trade Financing II was fully repaid during the financing year. The outstanding balance of Trade Financing II as at the previous financial was RM814,000.

- (c) The Trade Financing III bears interest at rate of 5.00% (2023: Nil) per annum and is payable upon maturity. The trade financing is secured and supported by:

- Guarantee by the government through Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP") will cover 80% on financing amount;
- Joint and several guarantees by all directors of SHESB;
- Memorandum of charge over fixed deposit(s) and / or bank account of SHESB for fixed schedule placement of sinking fund up to RM2,880,000 commencing from 25 months after the first drawdown in January 2024.

The outstanding balance of Trade Financing III as at the financial year end is RM8,992,000 (2023: Nil).

## NOTES TO THE FINANCIAL STATEMENTS

### 11. Loans and borrowings (Cont'd)

#### 11.4 Bank overdraft

- (a) The Bank Overdraft I bears interest at rate of 7.95% (2023: 7.95%) per annum on daily basis. The overdraft is secured and supported by:

- Pledged deposits of RM1,200,000 (2023: RM1,200,000) as disclosed in Note 8;
- Joint and several guarantees by all directors of SHESB.

The outstanding balance of Bank Overdraft I as at the financial year end is RM2,950,000 (2023: RM2,959,000).

- (b) The Bank Overdraft II bears interest at rate of 10.72% (2023: 10.72%) per annum on daily basis. The overdraft is secured and supported by joint and several guarantees by all directors of SHESB.

The outstanding balance of Bank Overdraft II as at the financial year end is RM860,000 (2023: RM400,000).

- (c) The Bank Overdraft III bears interest at rate of 7.72% (2023: 7.72%) per annum on daily basis. The overdraft is secured and supported by joint and several guarantees by all directors of SHESB.

The outstanding balance of Bank Overdraft III as at the financial year end is RM2,362,000 (2023: RM2,424,000).

- (d) The Bank Overdraft IV bears interest at rate of 7.95% (2023: 7.95%) per annum on daily basis. The overdraft is secured and supported by joint and several guarantees by all directors of SHESB.

The outstanding balance of Bank Overdraft IV as at the financial year end is RM439,000 (2023: RM439,000).

- (e) The Bank Overdraft V bears interest at rate of 7.75% (2023: Nil) per annum on daily basis. The overdraft is secured and supported by:

- Guarantee by the government through Syarikat Jaminan Pembiayaan Perniagaan Berhad ("SJPP") will cover 80% on financing amount;
- Pledged deposits of RM50,000 (2023: Nil) as disclosed in Note 8;
- Joint and several guarantees by all directors of SHESB.

The outstanding balance of Bank Overdraft V as at the financial year end is RM1,947,000 (2023: Nil).

### 12. Deferred tax liabilities

#### Recognised deferred tax liabilities

Deferred tax liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Group</b>						
Property, plant and equipment	-	-	(225)	(366)	(225)	(366)
Right-of-use assets	-	-	(438)	(360)	(438)	(360)
Lease liabilities	111	296	-	-	111	296
Tax assets/(liabilities)	111	296	(663)	(726)	(552)	(430)
Set off of tax	(111)	(296)	111	296	-	-
Net tax liabilities	-	-	(552)	(430)	(552)	(430)

## NOTES TO THE FINANCIAL STATEMENTS

### 12. Deferred tax liabilities (Cont'd)

Movement in temporary differences during the financial year

	At 1.1.2023 RM'000	Recognised in profit or loss (Note 17) RM'000	At 31.12.2023/ 1.1.2024 RM'000	Recognised in profit or loss (Note 17) RM'000	At 31.12.2024 RM'000
<b>Group</b>					
Property, plant and equipment	(170)	(196)	(366)	141	(225)
Right-of-use assets	(25)	(335)	(360)	(78)	(438)
Lease liabilities	27	269	296	(185)	111
Net tax liabilities	(168)	(262)	(430)	(122)	(552)

### 13. Trade and other payables

	Note	Group 2024 RM'000	Group 2023 RM'000	Company 2024 RM'000	Company 2023 RM'000
<b>Trade</b>					
Trade payables		5,857	9,485	-	-
<b>Non-trade</b>					
Amount due to a subsidiary	13.1	-	-	100	100
Other payables		602	391	-	142
Accruals		772	888	95	144
		7,231	10,764	195	386

#### 13.1 Amount due to a subsidiary

The amount due to a subsidiary is unsecured, interest free and repayable on demand.

### 14. Revenue

	Group 2024 RM'000	Group 2023 RM'000
<b>Revenue from contracts with customers</b>	78,424	72,537

## NOTES TO THE FINANCIAL STATEMENTS

### 14. Revenue (Cont'd)

#### 14.1 Disaggregation of revenue from contracts with customers

	Group	
	2024 RM'000	2023 RM'000
Engineering, procurement, construction and commissioning ("EPCC") services and facilities improvement/maintenance	65,487	64,927
Installation and maintenance ("I&M") of oilfield equipment	10,063	5,782
Supply of oilfield equipment	2,874	1,828
Total revenue from contracts with customers	78,424	72,537
<b>Timing and recognition</b>		
Over time	75,550	70,709
Point in time	2,874	1,828
Total revenue from contracts with customers	78,424	72,537

#### 14.2 Nature of goods and services

The following information reflects the typical transactions of the Group:

Nature of services	Timing of recognition or method used to recognise revenue	Significant payment terms	Warranty
Short-term EPCC services and facilities improvement / maintenance	Revenue is recognised over the period when the services are rendered.	Credit period of 30 days from invoice date.	Defect liability period of 12 months to 18 months is given to customers.
Fixed-term EPCC services and facilities improvement / maintenance	Revenue is recognised over time and estimated using input method which is based on the proportion of total cost incurred at the reporting date compared to the management's estimation of total cost of the contract.	Credit period of 30 days from invoice date.	Defect liability period of 12 months to 18 months is given to customers.
I&M of oilfield equipment	Revenue is recognised over the period in which the services are rendered.	Credit period of 30 days from invoice date.	Defect liability period of 18 months to 36 months is given to customers.
Supply of oilfield equipment	Revenue is recognised at a point in time when or as the control of goods is transferred to the customer.	Credit period of 30 days from invoice date.	Defect liability period of 18 months is given to customers.

## NOTES TO THE FINANCIAL STATEMENTS

### 14. Revenue (Cont'd)

#### 14.2 Nature of goods and services (Cont'd)

There were no variable elements in considerations, obligation for return or refunds in the provision of services by the Group.

Revenue of the Group is predominantly from operations in Malaysia.

#### 14.3 Transaction price allocated to the remaining performance obligations

As at the reporting date, the Group applies practical expedient that exempts the disclosure of information on remaining performance obligation that have original expected durations of one year or less. Thus, no disclosure is made on allocation of transaction price to the remaining performance obligations.

#### 14.4 Significant judgments and assumptions arising from revenue recognition

For fixed-term contracts, the Group measured the performance of work done by comparing the actual costs incurred with the estimated total costs required to complete the project. Significant judgments are required to estimate the total contract costs to complete. The management relied on their past experience as well as the suppliers' quote and contracts awarded to supplier and sub-contractor to derive the estimates. A change in the estimates will directly affect the revenue to be recognised.

### 15. Finance costs

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Interest expenses arising from:				
- Term loans	345	346	-	-
- Trade financing	703	288	-	-
- Hire purchase liabilities	69	36	-	-
- Bank overdraft	684	463	-	-
- Lease liabilities	78	35	4	-
- Bank guarantee	134	146	-	-
- Others	72	41	-	-
	2,085	1,355	4	-



## NOTES TO THE FINANCIAL STATEMENTS

## 16. Profit/(Loss) before tax

	Note	Group		Company	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Profit/(Loss) before tax is arriving at after charging/(crediting):</b>					
Auditors' remuneration					
Audit fees		150	115	30	20
Non-audit fees		608	63	608	63
<b>Material expenses/(income)</b>					
Finance income		(82)	(88)	-	-
Loss/(Gain) on disposal of property, plant and equipment		242	(59)	-	-
Gain on derecognition of right-of-use assets		-	(11)	-	-
Loss on modification of leases		3	-	-	-
Depreciation of property, plant and equipment		843	707	-	1
Property, plant and equipment written-off		3	-	-	-
Depreciation of right-of-use assets		97	82	27	-
Personnel expenses (including key management personnel)	a				
- Contributions to state plans		577	470	-	-
- Directors fees		463	313	463	313
- Wages, salaries, allowances and remuneration		5,389	5,473	-	-
Outsourced staffing expenses		8,661	12,725	-	-
Net foreign exchange loss		186	27	-	-
Listing expenses		2,134	754	2,134	754
<b>Other expenses arising from leases</b>					
Expenses relating to short-term leases	b	2,109	2,239	-	-

**Note a**

Included in personnel expenses of the Group and of the Company are the following:

	Group		Company	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<b>Key management personnel</b>				
Directors of the Company				
Fees	463	313	463	313
Remuneration	631	783	-	-
Other employee benefits	100	17	57	20
	1,194	1,113	520	333
<b>Other officers, including Directors of the subsidiaries</b>				
Remuneration	388	159	-	-
Other employee benefits	11	-	-	-
	1,593	1,272	520	333

## NOTES TO THE FINANCIAL STATEMENTS

### 16. Profit/(Loss) before tax (Cont'd)

Key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly and entity that provides key management personnel services to the Group. The key management personnel includes all the Directors and chief officers of the Group.

#### Note b

The Group leases equipment with contract terms of less than one year. These leases are short-term leases. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

### 17. Tax expense

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Current tax expense</b>				
Current year	5,220	2,911	-	-
Under/(Over) provision in prior years	47	(49)	-	1
	5,267	2,862	-	-
<b>Deferred tax expense</b>				
Origination of temporary differences	290	168	-	-
(Over)/Under provision in prior years	(168)	94	-	-
	122	262	-	-
	5,389	3,124	-	1

#### Reconciliation of tax expense

	Group		Company	
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit/(Loss) before tax	18,041	10,344	(4,243)	(1,462)
Income tax calculated using Malaysian statutory tax rate of 24% (2023: 24%)	4,330	2,483	(1,018)	(351)
Non-deductible expenses	1,180	596	1,018	351
Under/(Over) provision in prior years				
- current tax	47	(49)	-	1
- deferred tax	(168)	94	-	-
	5,389	3,124	-	1

## NOTES TO THE FINANCIAL STATEMENTS

## 18. Earnings per ordinary share

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share was based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2024 RM'000	2023 RM'000
Profit for the year attributable to owners of the Group	12,652	7,220
	2024 <sup>(i)</sup> '000	2023 <sup>(ii)</sup> '000
Weighted average number of ordinary shares as at 31 December	429,262	400,000
	2024 sen	2023 sen
Basic earnings per ordinary share	2.95	1.81

(i) Based on the weighted average number of issued share capital of 400,000,000 ordinary shares after the listing of and quotation for 240,000,000 bonus shares on LEAP Market but before the Public Issue and 490,000,000 ordinary shares after the completion of the Public Issue.

(ii) Following the listing of and quotation for 240,000,000 bonus shares on LEAP Market but before the Public Issue on 11 March 2024, the weighted average number of ordinary shares for the comparative period is adjusted as if the event had occurred at the beginning of the earliest period presented.

**Diluted earnings per ordinary share**

There is no dilution in earnings per share as there is no potential diluted ordinary share.

## 19. Dividends

Dividends recognised by the Group:

	Sen per share	Total amount RM'000	Date of payment
<b>2023</b>			
First and final single tier dividend for 31 December 2022	0.55	880	6 March 2023

## NOTES TO THE FINANCIAL STATEMENTS

### 20. Operating segments

#### Segment information

The Group has three reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services and are managed separately because they require different technology and marketing strategies. For each of the strategic business units, the Group's Executive Director reviews internal management reports at least on a bi-annual basis. The following summary describes the operations in each of the Group's reportable segments:

• EPCC services and facilities improvement / maintenance	Includes the provision of EPCC services for chemical injection skids installed at onshore or offshore exploration and production facilities (e.g., platforms, rigs or terminals) and overall improvement and maintenance of O&G facilities (i.e. oil rig platform, onshore and offshore) - upgrade and / or replacement of corroded or damaged structures as well as removal, installation or modification of component parts of structures.
• I&M of oilfield equipment	Includes the supply of the oilfield equipment to be installed and maintained (i.e. repair, refurbishment, and replacement) at customers' sites.
• Supply of oilfield equipment	Includes the supply and delivery of specific oilfield equipment and / or parts and components to embarkation points.

Due to the high integration within all these three segments, performance of individual segment is measured based on revenue and gross profit, as included in the internal management reports that are reviewed by the Group's Executive Director. Hence, no other disclosure for segment assets, segment liabilities and segment capital expenditures.

Group	EPCC services and facilities improvement/ maintenance RM'000	I&M of oilfield equipment RM'000	Supply of oilfield equipment RM'000	Total RM'000
<b>2024</b>				
<i>Included in the measure of segment profit are:</i>				
Revenue from external customers	65,487	10,063	2,874	78,424
Cost of sales	(36,860)	(6,329)	(1,121)	(44,310)
Gross profit	28,627	3,734	1,753	34,114
<b>2023</b>				
<i>Included in the measure of segment profit are:</i>				
Revenue from external customers	64,927	5,782	1,828	72,537
Cost of sales	(46,771)	(4,050)	(883)	(51,704)
Gross profit	18,156	1,732	945	20,833

## NOTES TO THE FINANCIAL STATEMENTS

### 20. Operating segments (Cont'd)

#### Geographical segments

The geographical location of customers predominantly operates within Malaysia.

#### Major customers

The following are major customers with revenue equal or more than 10% of the Group's total revenue:

	Revenue		Segment
	2024 % of contribution	2023 % of contribution	
- Customer A	66	59	All segments
- Customer B	10	30	EPCC

### 21. Financial instruments

#### 21.1 Categories of financial instruments

The table below provides an analysis of financial instruments categorised as amortised cost ("AC"):

	Carrying amount 2024 RM'000	AC 2024 RM'000	Carrying amount 2023 RM'000	AC 2023 RM'000
<b>Group</b>				
<b>Financial assets</b>				
Trade and other receivables	16,866	16,866	3,775	3,775
Pledged deposits	4,950	4,950	6,705	6,705
Cash and cash equivalents	4,854	4,854	10,687	10,687
	26,670	26,670	21,167	21,167
<b>Group</b>				
<b>Financial liabilities</b>				
Trade and other payables	(7,231)	(7,231)	(10,764)	(10,764)
Loans and borrowings	(25,077)	(25,077)	(17,721)	(17,721)
	(32,308)	(32,308)	(28,485)	(28,485)
<b>Company</b>				
<b>Financial assets</b>				
Trade and other receivables	11,294	11,294	3,277	3,277
Cash and cash equivalents	27	27	18	18
	11,321	11,321	3,295	3,295
<b>Financial liabilities</b>				
Trade and other payables	(195)	(195)	(386)	(386)

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.2 Net losses arising from financial instruments

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Financial assets at amortised cost	(104)	61
Financial liabilities at amortised cost	(2,007)	(1,320)
Net losses	(2,111)	(1,259)

#### 21.3 Financial risk management

The Group has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

#### 21.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Group's exposure to credit risk arises principally from its trade and other receivables and cash and cash equivalents.

##### Trade receivables and contract assets

##### *Risk management objectives, policies and processes for managing the risk*

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Group assesses whether any of the trade receivables and contract assets are credit impaired.

The gross carrying amounts of credit impaired trade receivables and contract assets are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables and contract assets that are written off could still be subject to enforcement activities.

There are no significant changes as compared to previous year.

##### *Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables and contract assets are represented by the carrying amounts in the statements of financial position.

##### *Concentration of credit risk*

At the end of the reporting period, the Group has a concentration of credit risk from two customers, representing approximately 82% (2023: 86% from two customers) of the Group's contract assets and trade receivables. All contract assets and trade receivables are within Malaysia.

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.4 Credit risk (Cont'd)

##### Trade receivables and contract assets (Cont'd)

##### Recognition and measurement of impairment losses

All financial assets measured at amortised cost are first assessed for credit-impaired trade receivables.

In managing credit risk of trade receivables, the Group manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances.

As there are only a few customers, the Group assessed the risk of loss of each customer individually based on their financial information and past trend of payments, where applicable. The trade receivables were deemed to have low risk of default.

The following table provides information about the exposure to credit risk for trade receivables and contract assets which are grouped together as they are expected to have similar risk nature.

	<b>Gross carrying amount RM'000</b>	<b>Loss allowance RM'000</b>	<b>Net balance RM'000</b>
<b>Group 2024</b>			
Not past due	20,627	-	20,627
Past due 1 - 90 days	13,144	-	13,144
Past due more than 90 days	14,789	-	14,789
	48,560	-	48,560
Trade receivables	16,546	-	16,546
Contract assets	32,014	-	32,014
	48,560	-	48,560
<b>2023</b>			
Not past due	23,995	-	23,995
Past due 1 - 90 days	168	-	168
Past due more than 90 days	864	-	864
	25,027	-	25,027
Trade receivables	3,488	-	3,488
Contract assets	21,539	-	21,539
	25,027	-	25,027

Trade receivables that are past due have not been impaired as these debtors have historically been creditworthy with good payment records with the Group.

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.4 Credit risk (Cont'd)

##### Cash and cash equivalents and pledged deposits

The cash and cash equivalents and pledged deposits are held with banks and financial institutions. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position.

These banks and financial institutions have low credit risks. In addition, some of the bank balances are insured by government agencies. Consequently, the Group is of the view that the loss allowance is not material and hence, it is not provided for.

##### Inter-company advances

*Risk management objectives, policies and processes for managing the risk*

The Company provides unsecured advances to its subsidiaries. The Company monitors the ability of the subsidiaries to repay the advances regularly.

*Exposure to credit risk, credit quality and collateral*

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

*Recognition and measurement of impairment loss*

Generally, the Company considers advances to subsidiaries have low credit risk. The Company assumes that there is a significant increase in credit risk when a subsidiary's financial position deteriorates significantly. As the Company is able to determine the timing of payments of the subsidiaries' advances when they are payable, the Company considers the advances to be in default when the subsidiaries are not able to pay when demanded. The Company considers subsidiaries' advances to be credit impaired when:

- The subsidiaries are unlikely to repay its advance to the Company in full; or
- The subsidiaries are continuously loss making and are having a deficit shareholders' fund.

The Company determines the probability of default for these advances individually using internal information available.

The following table provides information about the exposure to credit risk for subsidiary's advances.

	<b>Gross carrying amount RM'000</b>	<b>Loss allowance RM'000</b>	<b>Net balance RM'000</b>
<b>Company 2024</b>			
Low credit risk	11,293	-	11,293

As at the end of the reporting period, the Company did not recognise any allowance for impairment losses as the Company is of the view that the loss allowance is not material and hence, it is not provided for.



## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.5 Liquidity risk

Liquidity risk is the risk that the Group and the Company will not be able to meet its financial obligations as they fall due. The Group's and the Company's exposure to liquidity risk arises principally from its various payables, loans and borrowings and lease liabilities.

The Group and the Company ensure that cash is available to meet working capital and other financing obligations, and that cash flows are managed efficiently. This is done through cash flow forecasts to achieve optimal cash management planning. The Group and the Company set a minimum level of cash to be held on periodic basis in order to meet firm commitments obligations. The Group and the Company have sufficient facilities from the banks to meet their liabilities when they fall due.

As at 31 December 2024, the Group and the Company have a deficit in net cash used in operating activities of RM15,525,000 and RM10,268,000. Based on the cash flows forecast for the next twelve months from the end of the reporting period of financial statements, the Directors are of the view that the Group and the Company are able to generate sufficient cash flows for the next twelve months from the end of the reporting period of the financial statements to meet their operation requirements as and when falls due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or at significantly different amounts.

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.5 Liquidity risk (Cont'd)

##### *Maturity analysis*

The table below summarises the maturity profile of the Group's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

<b>Group</b>	<b>Carrying amount RM'000</b>	<b>Contractual interest rate/ Discount rate %</b>	<b>Contractual cash flows RM'000</b>	<b>Under 1 year RM'000</b>	<b>1 – 5 years RM'000</b>	<b>More than 5 years RM'000</b>
<b>2024</b>						
<b>Financial liabilities</b>						
Trade and other payables	7,231	-	7,231	7,231	-	-
Term loans	2,949	8.90 – 9.00	3,204	1,338	384	1,482
Hire purchase liabilities	776	2.42 – 6.97	920	209	711	-
Lease liabilities	461	8.43 – 9.44	519	193	326	-
Trade financing	12,794	5.00 – 7.95	13,041	13,041	-	-
Bank overdraft	8,558	7.72 – 10.72	8,615	8,615	-	-
Financial guarantees	-	-	2,500	2,101	399	-
	<b>32,769</b>		<b>36,030</b>	<b>32,728</b>	<b>1,820</b>	<b>1,482</b>
<b>2023</b>						
<b>Financial liabilities</b>						
Trade and other payables	10,764	-	10,764	10,764	-	-
Term loans	4,966	3.50 – 11.70	5,923	2,068	2,294	1,561
Hire purchase liabilities	867	2.49 – 5.51	950	252	698	-
Lease liabilities	1,235	8.47 – 9.09	1,342	450	892	-
Trade financing	5,666	7.40 – 7.95	5,796	5,796	-	-
Bank overdraft	6,222	7.95 – 12.00	6,267	6,267	-	-
Financial guarantees	-	-	4,286	4,186	100	-
	<b>29,720</b>		<b>35,328</b>	<b>29,783</b>	<b>3,984</b>	<b>1,561</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.5 Liquidity risk (Cont'd)

##### *Maturity analysis (Cont'd)*

	Carrying amount RM'000	Contractual interest rate/ Discount %	Contractual cash flows RM'000	Under 1 year RM'000	1 – 5 years RM'000
<b>Company 2024</b>					
<b>Financial liabilities</b>					
Other payables and accruals	195	-	195	195	-
<b>2023</b>					
<b>Financial liabilities</b>					
Other payables and accruals	386	-	386	386	-

#### 21.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Group's financial position or cash flows.

##### 21.6.1 Currency risk

Management has assessed that the Group and the Company are not significantly exposed to any foreign currency risks.

##### 21.6.2 Interest rate risk

The Group's primary interest rate risks relate to deposit placed with licensed banks, term loans, bank overdraft, trade financing, hire purchase liabilities and lease liabilities.

The Group's deposits placed with licensed banks, fixed rate term loans, bank overdraft, trade financing, hire purchase liabilities and lease liabilities are exposed to a risk of change in their fair value due to changes in interest rates. The Group's variable rate term loans, trade financing and bank overdraft are exposed to a risk of change in cash flows due to changes in interest rates. Short-term receivables and payables are not significantly exposed to interest rate risk.

##### *Risk management objectives, policies and processes for managing the risk*

The Group manages its interest rate exposure by maintaining a mix of fixed and floating rate of borrowings.

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.6 Market risk (Cont'd)

##### 21.6.2 Interest rate risk (Cont'd)

###### *Exposure to interest rate risk*

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Fixed rate instruments</b>				
Financial asset				
Deposits with licensed banks	5,100	6,855	-	-
Financial liabilities				
Term loans	(964)	(2,772)	-	-
Hire purchase liabilities	(776)	(867)	-	-
Lease liabilities	(461)	(1,235)	(20)	-
	(2,201)	(4,874)	(20)	-
	2,899	1,981	(20)	-

The interest rate profile of the Group's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Floating rate instruments</b>		
Financial liabilities		
Term loans	(1,985)	(2,194)
Trade financing	(12,794)	(5,666)
Bank overdraft	(8,558)	(6,222)
	(23,337)	(14,082)

###### *Interest rate risk sensitivity analysis*

###### (a) *Fair value sensitivity analysis for fixed rate instruments*

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives as hedging instruments under a fair value hedge accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

# NOTES TO THE FINANCIAL STATEMENTS

## 21. Financial instruments (Cont'd)

### 21.6 Market risk (Cont'd)

#### 21.6.2 Interest rate risk (Cont'd)

*Interest rate risk sensitivity analysis (Cont'd)*

(b) *Cash flow sensitivity analysis for variable rate instruments*

A change of 100 basis points (“bp”) in interest rates at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant.

	100 bp increase RM'000	100 bp decrease RM'000
<b>Group</b>		
<b>2024</b>		
Floating rate instruments	(177)	177
<b>2023</b>		
Floating rate instruments	(107)	107

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.7 Fair value information

The carrying amounts of cash and cash equivalents, pledged deposits, short term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short-term nature of these financial instruments.

The tables below analyses other financial instruments at fair value.

Group	Fair value of financial instruments carried at fair value				Fair value of financial instruments not carried at fair value				Total fair value	Carrying amount
	Level 1		Level 2		Level 1		Level 2			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2024										
Financial liabilities										
Term loans	-	-	-	-	-	-	(3,044)	(3,044)	(3,044)	(2,949)
Lease liabilities	-	-	-	-	-	-	(446)	(446)	(446)	(461)
Hire purchase liabilities	-	-	-	-	-	-	(812)	(812)	(812)	(776)
	-	-	-	-	-	-	(4,302)	(4,302)	(4,302)	(4,186)
2023										
Financial liabilities										
Term loans	-	-	-	-	-	-	(5,001)	(5,001)	(5,001)	(4,966)
Lease liabilities	-	-	-	-	-	-	(1,200)	(1,200)	(1,200)	(1,235)
Hire purchase liabilities	-	-	-	-	-	-	(854)	(854)	(854)	(867)
	-	-	-	-	-	-	(7,055)	(7,055)	(7,055)	(7,068)

## NOTES TO THE FINANCIAL STATEMENTS

### 21. Financial instruments (Cont'd)

#### 21.7 Fair value information (Cont'd)

##### ***Policy on transfer between levels***

The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

##### ***Level 1 fair value***

Level 1 fair value is derived from quoted price (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date.

##### ***Level 2 fair value***

Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets or liabilities, either directly or indirectly.

##### ***Non-derivatives financial liabilities***

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the end of the reporting period.

##### ***Transfer between Level 1 and Level 2 fair values***

There has been no transfer between Level 1 and Level 2 fair values during the financial year (2022: no transfer in either directions).

##### ***Level 3 fair value***

Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.

The following table shows the valuation techniques used in the determination of fair values within Level 3, as well as the key unobservable inputs used in the valuation models.

##### **Financial instruments not carried at fair value**

Type	Description of valuation technique and inputs used
Term loans, lease liabilities and hire purchase liabilities	Discounted cash flows using a rate based on the current market rate of borrowing of the Group at the reporting date.

### 22. Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratio in order to support its business and maximise shareholder value. For the purpose of the Group's capital management, capital includes share capital, and all equity reserves attributable to the equity holders of the parent. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 31 December 2023.

## NOTES TO THE FINANCIAL STATEMENTS

### 23. Capital and other commitments

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Capital expenditure commitments</b>		
<b>Property, plant and equipment</b>		
<i>Authorised but not contracted for</i>	13,640	-

### 24. Related parties

#### Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or jointly control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the parties are subject to common control. Related parties may be individuals or other entities. There is no related parties within the group entities during the financial year.

The holding company has related party relationship with subsidiaries.

#### Significant related party transactions

Significant related party transactions other than disclosed elsewhere in the financial statements are as follows:

	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Company</b>		
<b>Transactions</b>		
<b>Subsidiary</b>		
Lease payments	29	-

Related party transactions have been entered into in the normal course of business and have been established under negotiated terms. The gross balances outstanding for related parties are disclosed in Note 7 and 13 to the financial statements.



LIST OF PROPERTIES

Location and address of property	Description of property	Land area (square feet)	Existing use	Tenure	Approximately age of building	Net Book Value as at 31 December 2024 (RM)	Date of revaluation/ acquisition
<b>Title details</b> Geran 46495/M2/2/63 and Geran 46495/M2/2/64, Lot 42441, Pekan Cempaka, District of Petaling Jaya, State of Selangor  <b>Property address</b> No. 23-2 & No. 25-2, Block H, Jalan PJU 1/37, Dataran Prima, 47301 Petaling Jaya, Selangor	Two (2) individual unit of office suites both located on the first floor of a five-storey Building	1,475 per unit	Headquarter office	Freehold	26.1 years	1,213,000	10 September 2021
<b>Title details</b> Pajakan Negeri 4084, Lot No. 3695, Mukim Teluk Kalung, District of Kemaman, State of Terengganu  <b>Property address</b> Lot 3695, Jalan MIEL TK 3, Kawasan Perindustrian MIEL, 24000 Chukai, Terengganu	A semi-detached double storey office annexed with a single storey warehouse	23,508	Office, warehouse and yard facility	Leasehold 60 years expiring on 22 August 2057	6.3 years	2,389,000	23 August 2023

# ANALYSIS OF SHAREHOLDINGS

## AS AT 18 APRIL 2025

Issued Share Capital : RM21,308,000.72 comprising 490,000,000 Ordinary Shares  
 Class of Shares : Ordinary Shares  
 Voting Rights : One (1) vote per ordinary share  
 Number of Shareholders : 1,214

### DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
Less than 100	4	0.329	50	0.000
100 to 1,000	298	24.546	131,950	0.026
1,001 to 10,000	563	46.375	2,895,400	0.590
10,001 to 100,000	262	21.581	9,605,800	1.960
100,001 to 24,499,999*	84	6.919	201,115,800	41.044
24,500,000 and above**	3	0.247	276,251,000	56.377
<b>Total</b>	<b>1,214</b>	<b>100.00</b>	<b>490,000,000</b>	<b>100.00</b>

#### Notes:

\* Less than 5% of issued shares

\*\* 5% and above of issued shares

### SUBSTANTIAL SHAREHOLDERS' SHAREHOLDINGS

	Name	Direct Interest		Indirect Interest	
		No. of Shares	%	No. of Shares	%
1.	Radiant Capital Sdn Bhd ("RCSB")	178,349,000	36.397	-	-
2.	Datin Annie A/P V Sinniah	48,951,000	9.990	48,951,000 <sup>(1)</sup>	9.990
3.	Dato' Sharman Kristy A/L Michael	48,951,000	9.990	48,951,000 <sup>(2)</sup>	9.990
4.	Khairul Nazri Bin Kamarudin	-	-	178,349,000 <sup>(3)</sup>	36.397
5.	Salimi Bin Khairuddin	-	-	178,349,000 <sup>(3)</sup>	36.397

#### Notes:

<sup>(1)</sup> Deemed interested by virtue of her spouse's shareholdings in our Company pursuant to Section 8 of the Act.

<sup>(2)</sup> Deemed interested by virtue of his spouse's shareholdings in our Company pursuant to Section 8 of the Act.

<sup>(3)</sup> Deemed interested by virtue of their shareholdings in RCSB pursuant to Section 8 of the Act.

ANALYSIS OF SHAREHOLDINGS  
AS AT 18 APRIL 2025

DIRECTORS' SHAREHOLDINGS

	Name	Direct Interest		Indirect Interest	
		No. of Shares	%	No. of Shares	%
1.	Tan Sri Acryl Sani Bin Hj. Abdullah Sani	1,000,000	0.204	-	-
2.	Dato' Sharman Kristy A/L Michael	48,951,000	9.990	48,951,000 <sup>(1)</sup>	9.990
3.	Salimi Bin Khairuddin	-	-	178,349,000 <sup>(2)</sup>	36.397
4.	Y.M. Tengku Saifan Rafhan Bin Tengku Putra	300,000	0.061	-	-
5.	Zariner Binti Ismail	300,000	0.061	-	-
6.	Aznita Binti Abdul Aziz	20,000	0.004	-	-

Notes:

- <sup>(1)</sup> Deemed interested by virtue of his spouse's shareholdings in our Company pursuant to Section 8 of the Act.  
<sup>(2)</sup> Deemed interested by virtue of his shareholdings in RCSB pursuant to Section 8 of the Act.

LIST OF TOP 30 LARGEST SHAREHOLDERS

(Without aggregating securities from different Securities Account(s) belonging to the same Registered Holder)

No.	Name of Holders	No. of Shares Held	%
1.	Radiant Capital Sdn Bhd	178,349,000	36.397
2.	Datin Annie A/P V Sinniah	48,951,000	9.990
3.	Dato' Sharman Kristy A/L Michael	48,951,000	9.990
4.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Choy Yang Zhou	22,618,600	4.616
5.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Satvinder Singh	16,885,500	3.446
6.	M & A Nominee (Tempatan) Sdn Bhd Pledged Securities Account for Teo Boon Ling (M&A)	16,529,400	3.373
7.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Ong King Seng	15,900,000	3.244
8.	Hong Kok Ann	15,900,000	3.244
9.	Jasvinder Singh A/L Piara Singh	14,000,000	2.857
10.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Noor Nazatun Naim Binti Mohd Yusof (CCTS)	8,000,000	1.632
11.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Hong Kok Ann	7,285,900	1.486
12.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Rajinder Kaur A/P Piara Singh	7,000,000	1.428
13.	Cimsec Nominees (Tempatan) Sdn Bhd CIMB for Parmjit Singh A/L Meva Singh (PB)	6,478,400	1.322
14.	Rajinder Kaur A/P Piara Singh	6,297,300	1.285

## ANALYSIS OF SHAREHOLDINGS

### AS AT 18 APRIL 2025

#### LIST OF TOP 30 LARGEST SHAREHOLDERS (CONT'D)

(Without aggregating securities from different Securities Account(s) belonging to the same Registered Holder)

No.	Name of Holders	No. of Shares Held	%
15.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Leong Yuet Mooi (8105904)	6,240,000	1.273
16.	Rajinder Kaur A/P Piara Singh	5,150,000	1.051
17.	Piara Singh A/L Anokh Singh	3,000,000	0.612
18.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Leong Kim Fong	2,850,000	0.581
19.	Parmjit Singh A/L Meva Singh	2,681,000	0.547
20.	Affin Hwang Nominees (Tempatan) Sdn. Bhd. Pledged Securities Account for Jasvinder Singh A/L Piara Singh	2,500,000	0.510
21.	Heng Guan Keng	2,400,000	0.489
22.	Cartaban Nominees (Asing) Sdn Bhd Exempt An for Barclays Capital Securities Ltd (SBL/PB)	2,104,300	0.429
23.	Ahmad Zaini Bin A.Jamil	2,000,000	0.408
24.	Alliancegroup Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Toh Hong Chye (7004332)	2,000,000	0.408
25.	Chew Wee San	2,000,000	0.408
26.	Citigroup Nominees (Asing) Sdn Bhd Exempt An for Citibank New York (Norges Bank 14)	1,864,400	0.380
27.	Maybank Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Doh Jee Mi	1,743,200	0.355
28.	HLIB Nominees (Tempatan) Sdn Bhd Pledged Securities Account for Ong Kok Li (CCTS)	1,500,000	0.306
29.	Kow Chan Lan	1,300,000	0.265
30.	Darren Solomon Low Jun Ket	1,292,000	0.263
	<b>Total</b>	<b>453,561,000</b>	<b>92.563</b>

# NOTICE OF FOURTH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Fourth Annual General Meeting of the Company will be held at Majestic 2, Level 3, The Majestic Hotel Kuala Lumpur, No. 5, Jalan Sultan Hishamuddin, City Centre, 50000 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia, on Tuesday, 24 June 2025 at 10.00 a.m., for the following purposes:

## AGENDA

### As Ordinary Business:

- |    |  |  |
|----|--|--|
| 1. | To receive the Audited Financial Statements for the financial year ended 31 December 2024 together with the Directors' and the Auditors' Reports thereon.  | Please refer to Explanatory Note 1             |
| 2. | To approve the payment of Directors' fees and benefits of up to RM589,000.00 from 25 June 2025 until the conclusion of the next Annual General Meeting of the Company to be held in the year 2026.   | Ordinary Resolution 1                          |
| 3. | To re-elect Aznita Binti Abdul Aziz, who retires pursuant to Clause 78 of the Company's Constitution and who being eligible, has offered herself for re-election.  | Ordinary Resolution 2                          |
| 4. | To re-elect the following Directors, who retire pursuant to Clause 76(3) of the Company's Constitution and who being eligible, have offered themselves for re-election:-<br>(i) Dato' Sharman Kristy A/L Michael; and<br>(ii) Salimi Bin Khairuddin.       | Ordinary Resolution 3<br>Ordinary Resolution 4 |
| 5. | To appoint Messrs. TGS TW PLT as Auditors of the Company in place of the retiring Auditors, Messrs. KPMG PLT, and to hold office until the conclusion of the next Annual General Meeting in 2026 and to authorise the Directors to fix their remuneration. | Ordinary Resolution 5                          |

### As Special Business:

To consider and if thought fit, to pass the following resolution with or without modifications:

- |    |   |                       |
|----|---|-----------------------|
| 6. | Authority to issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act") | Ordinary Resolution 6 |
|----|---|-----------------------|

"THAT pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act"), the Constitution of the Company, ACE Market Listing Requirement of Bursa Malaysia Securities Berhad ("Bursa Securities") and approval from Bursa Securities and any other relevant governmental and / or regulatory authorities, where such approval is required, the Directors of the Company be and are hereby authorised and empowered to issue and allot shares ("New Shares") in the capital of the Company from time to time, at such price, and upon such terms and conditions, for such purposes, and to such person or persons as the Directors may in their absolute discretion deem fit, provided always that the aggregate number of such New Shares to be issued and allotted, pursuant to this resolution, aggregated with the total number of any such shares issued during the preceding twelve (12) months does not exceed ten percent (10%) of the total number of issued shares (excluding treasury shares, if any) of the Company for the time being as stipulated under Rule 6.04(1) of ACE Market Listing Requirements of Bursa Securities ("Proposed General Mandate"); AND THAT the Directors be and are hereby also empowered to obtain the approval from Bursa Securities for the listing of and quotation for such New Shares on the ACE Market of Bursa Securities.

## NOTICE OF FOURTH ANNUAL GENERAL MEETING

### As Special Business (Cont'd):

6. Authority to issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016 ("the Act") (Cont'd) Ordinary Resolution 6

THAT authority be and is hereby given to the Directors of the Company, to give effect to the Proposed General Mandate with full powers to assent to any conditions, modifications, variations and / or amendments as they may deem fit in the best interest of the Company and / or as may be imposed by the relevant authorities.

THAT the Directors of the Company, be and are hereby authorised to implement, finalise, complete and take all necessary steps and to do all acts (including execute such documents as may be required), deeds and things in relation to the Proposed General Mandate.

THAT such authority shall commence immediately upon the passing of this resolution and continue to be in force until the conclusion of the next Annual General Meeting ("AGM") of the Company.

THAT pursuant to Section 85 of the Act read together with Article 54 of the Company's Constitution, approval be and is hereby given to waive the statutory pre-emptive rights of the shareholders of the Company and to offer New Shares arising from the issuance and allotment of the New Shares pursuant to Sections 75 and 76 of the Act, the Constitution of the Company and the approvals from Bursa Securities and any other relevant governmental and / or regulatory authorities, where such approval is required; AND THAT such New Shares when allotted shall rank pari passu in all respects with the existing class of ordinary shares.

FURTHER THAT the Board of Directors of the Company is exempted from the obligation to offer such New Shares to the existing shareholders of the Company."

7. To transact any other business of which due notice shall have been given in accordance with the Act and the Constitution of the Company.

By Order of the Board

**TAN LAI HONG** (MAICSA 7057707)  
(SSM PC No.: 202008002309)  
**YAP SIEK LEE** (MAICSA 7049598)  
(SSM PC No.: 201908002140)  
Company Secretaries

Kuala Lumpur  
Dated: 30 April 2025

# NOTICE OF FOURTH ANNUAL GENERAL MEETING

## Notes:

1. A Member of the Company entitled to attend and vote at the meeting is entitled to appoint proxy(ies) or in the case of a corporation, to appoint representative(s) to attend and vote in his/her/its place. A proxy may but need not be a Member of the Company.
2. A Member shall appoint not more than two (2) proxies to attend and vote at the meeting.
3. Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (“omnibus account”), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his/her/its holdings to be represented by each proxy. A proxy appointed shall exercise all or any of his/her/its rights to attend, participate, speak and vote at a meeting of the Company.
6. The Proxy Form must be signed by the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation either under common seal or under the hand of an attorney or an officer duly authorised.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (i) In the case of an appointment made in hard copy form, the Proxy Form duly completed must be deposited at the Share Registrar’s office situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or deposit into the Drop-in Box located at Unit G-2, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) By electronic means, the Proxy Form duly completed can be electronically lodged via TIIH Online website at <https://tiih.online>. Please refer to the Administrative Guide for the AGM on the procedures for electronic lodgement of Proxy Form.
8. Last date and time for lodging the proxy form is on Sunday, 22 June 2025 at 10.00 a.m.
9. By submitting an instrument appointing a proxy(ies) and / or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to the Personal Data Protection Act 2010 set out below:

By submitting an instrument appointing a proxy(ies) and / or representative(s) to attend, speak and vote at the AGM and / or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member’s personal data by the Company (or its agent) for the purpose of the processing and administration of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and / or guidelines (collectively, the “Purposes”), (ii) warrants that where the member discloses the personal data of the member’s proxy(ies) and / or representative(s) to the Company (or its agent), the member has obtained the prior consent of such proxy(ies) and / or representative(s) for the collection, use and disclosure by the Company (or its agent) of the personal data of such proxy(ies) and / or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company (or its agent) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member’s breach of warranty.

# NOTICE OF FOURTH ANNUAL GENERAL MEETING

## Notes (Cont'd):

10. In respect of deposited securities, only members whose names appear on the Record of Depositors on 13 June 2025, shall be eligible to attend, participate and vote at the AGM or appoint proxy(ies)/corporate representative(s)/attorney(s) to attend, participate and vote on his/her/its behalf.
11. Please bring an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:
  - (a) Identity card (NRIC) (Malaysian); or
  - (b) Police report (for loss of NRIC)/ Temporary NRIC (Malaysian); or
  - (c) Passport (Foreigner).
12. For a corporate member who has appointed a representative instead of a proxy to attend this Meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in the proxy form if it has not been lodged at the Company's registered office earlier.
13. Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 4<sup>th</sup> AGM will be put to vote by way of poll.

## Explanatory Notes on Agenda Items:

### 1. Audited Financial Statements for the financial year ended 31 December 2024

The Audited Financial Statements for the financial year ended 31 December 2024 in Agenda 1 is meant for discussion only as the approval of shareholders is not required pursuant to the provision of Section 340(1)(a) of the Act. Hence, this Agenda item will not be put forward for voting by shareholders of the Company.

### 2. Ordinary Resolution 1 – Directors' Fees and Benefits

Pursuant to Section 230(1) of the Act, the fees of the directors and any benefits payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting.

The Directors' benefits payable comprises of meeting attendance allowances and other claimable benefits. In determining the estimated total amount of Directors' benefits, the Board has considered various factors, among others, the estimated claimable benefits and estimated number of meetings for the Board and Board Committees held for the period commencing from 25 June 2025 until the next Annual General Meeting of the Company to be held in the year 2026. In the event the amount proposed is insufficient (i.e., due to enlarged Board size etc.), approval will be sought at the next AGM for the additional amount to meet the shortfall.

### 3. Ordinary Resolutions 2 to 4 – Re-election of Directors

The following Directors are standing for re-election as Directors of the Company and being eligible, have offered themselves for re-election at the 4<sup>th</sup> AGM:-

- (a) Aznita Binti Abdul Aziz;
- (b) Dato' Sharman Kristy A/L Michael; and
- (c) Salimi Bin Khairuddin  
(collectively, "the Retiring Directors").



# NOTICE OF FOURTH ANNUAL GENERAL MEETING

## Explanatory Notes on Agenda Items (Cont'd):

### 3. Ordinary Resolutions 2 to 4 – Re-election of Directors (Cont'd)

The Board through the Nomination Committee (“NC”) has assessed individual Directors for financial year ended 31 December 2024 based on their self and peer assessments as well as Independent Directors’ assessment of independence. Furthermore, the NC has evaluated the retiring Directors in terms of their character, integrity, competence, commitment, and ability to act in the best interests of the Company based on the criteria outlined in the Directors’ Fit and Proper Policy (“Fit and Proper Criteria”). The Board and the NC are satisfied that the retiring Directors meet the Fit and Proper Criteria for re-election to the Board and able to continue to diligently discharge their duties as Directors. The Board recommends that shareholders approve the re-election of the retiring Directors, who have offered themselves for re-election at the forthcoming 4<sup>th</sup> AGM. The retiring Directors have abstained from deliberations and decision on their re-election at the relevant meetings of the Board and the NC. The profile of each retiring Director is set out in the Profile of the Board of Directors in the 2024 Annual Report of the Company.

### 4. Ordinary Resolution 5 – Appointment of Messrs. TGS TW PLT in place of the retiring Auditors, Messrs. KPMG PLT

The Company has decided to change the Auditors of the Company by proposing the appointment of Messrs. TGS TW PLT (“TGSTW”) as Auditors of the Company in place of the retiring Auditors, Messrs. KPMG PLT (“KPMG”) for the financial year ending 31 December 2025 (“Proposed Change of Auditors”) for shareholders’ approval at the forthcoming 4<sup>th</sup> AGM of the Company.

The Board believes that the Proposed Change of Auditors is essential in terms of cost efficiency to the Company. By mutual consent, KPMG has agreed not to seek for re-election as the Company’s External Auditor at the forthcoming 4<sup>th</sup> AGM vide their letter dated 25 April 2025, a copy of which is annexed as Appendix I.

The Board, through its Audit and Risk Management Committee (“ARMC”), had assessed the suitability of Messrs. TGS TW PLT (“TGSTW”) and recommended their appointment as the Auditors of the Company in place of the retiring Auditors, KPMG, for the financial year ending 31 December 2025 and to hold office until the conclusion of the next Annual General Meeting in 2026. The Board and the ARMC are satisfied that TGSTW will be able to meet the audit requirements of the Company and the Group, after assessing TGSTW’s independence, capabilities, audit team and proposed audit fees for the financial year ending 31 December 2025.

TGSTW have consented to act as the Auditors of the Company, a copy of which is annexed as Appendix II.

The Board wishes to seek shareholders’ approval for the appointment of TGSTW as Auditors of the Company in place of the retiring Auditors, KPMG, and to hold office until the conclusion of the next Annual General Meeting in 2026.

The Company confirms that there were no disagreements with the retiring auditors, KPMG, on accounting treatments within the last twelve (12) months from the date of this Notice. The Company is not aware of any circumstances regarding the proposed change of Auditors that should be brought to the attention of the Shareholders.

### 5. Ordinary Resolution 6 – Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Act

The Proposed Ordinary Resolution 6 is for the purpose of seeking a general mandate to empower the Directors of the Company to issue new shares or convertible securities in the Company pursuant to Sections 75 and 76 of the Act under the Proposed General Mandate and subject to Rule 6.04(1) of ACE Market Listing Requirements of Bursa Securities for such purposes as the Directors of the Company consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company or during the expiration of period within which the next AGM of the Company is required to be held after the approval was given, whichever is the earlier.

# NOTICE OF FOURTH ANNUAL GENERAL MEETING

## Explanatory Notes on Agenda Items (Cont'd):

### 5. Ordinary Resolution 6 – Authority to Allot and Issue Shares pursuant to Sections 75 and 76 of the Act (Cont'd)

The Proposed Ordinary Resolution 6 is for the purpose of seeking a general mandate to empower the Directors of the Company to issue new shares or convertible securities in the Company pursuant to Sections 75 and 76 of the Act under the Proposed General Mandate and subject to Rule 6.04(1) of ACE Market Listing Requirements of Bursa Securities for such purposes as the Directors of the Company consider would be in the best interest of the Company. This authority, unless revoked or varied by the Company at a general meeting, will expire at the next AGM of the Company or during the expiration of period within which the next AGM of the Company is required to be held after the approval was given, whichever is the earlier.

The mandate will provide flexibility to the Company to issue new shares or convertible securities for any possible fund raising activities, including but not limited to further placement of shares, for the purpose of funding current or future investment project(s), working capital, acquisition(s), repayment of bank borrowings, issuance of shares or convertible securities as settlement of purchase consideration or such other applications that the Directors of the Company may in their absolute discretion deemed fit.

The approval of the issuance and allotment of the new shares under Sections 75 and 76 of the Act shall have the effect of the shareholders having agreed to irrevocably waive their statutory pre-emptive rights pursuant to Section 85 of the Act and Clause 12(3) of the Constitution of the Company, pertaining to the issuance and allotment of new shares under Sections 75 and 76 of the Act, which will result in a dilution to their shareholding percentage in the Company.

## APPENDIX I



KPMG PLT  
(LLP0010081-LCA & AF 0758)  
Chartered Accountants  
Level 10, KPMG Tower  
8, First Avenue, Bandar Utama  
47800 Petaling Jaya  
Selangor Darul Ehsan, Malaysia

Telephone +60 (3) 7721 3388  
Fax +60 (3) 7721 3399  
Website www.kpmg.com.my

**Private and confidential**

Our ref.: K/VJ/CZN/ENI/clj

The Board of Directors  
Steel Hawk Berhad  
Unit 30-01, Level 30, Tower A  
Vertical Business Suite, Avenue 3  
Bangsar South, No.8, Jalan Kerinchi  
59200, Wilayah Persekutuan, Kuala Lumpur

Contact: Chan Zhen Ni  
(ext.: 3124)

Attention: Dato' Sharman Kristy A/L Michael

25 April 2025

Dear Sirs

**Notice of not seeking re-appointment as auditors  
Steel Hawk Berhad ("the Company")**

We refer to your letter dated on 23 April 2025 informing us that you wish to appoint another firm of auditors at the forthcoming 4th Annual General Meeting ("AGM"). This letter serves to inform you that we will not seek re-appointment as the auditor of the Company. Pursuant to section 273(b) of the Companies Act 2016, our term of office ceases at the conclusion of the upcoming annual general meeting.

The Company shall appoint another auditor to fill the office.

We thank you for the courtesy extended to us and if we can be of further assistance to you, please do not hesitate to contact us.

Yours faithfully

**Vengadesh Jogarajah**  
Partner

cc. The Board of Directors  
Steel Hawk Berhad  
No 23-2, Block H, Dataran Prima  
Jalan PJU 1/37  
47301 Petaling Jaya  
Selangor Darul Ehsan

Attention: Dato' Sharman Kristy A/L Michael

## APPENDIX II



TGS TW PLT  
202106000004 (LLP0026851-LCA) & AF002345  
Chartered Accountants  
Unit E-16-2B,  
Level 16, Icon Tower (East)  
No.1, Jalan 1/68F, Jalan Tun Razak  
50400 Kuala Lumpur.  
Tel : +603 9771 4326  
Email: tgsaudit@tgs-tw.com  
www.tgs-tw.com

Date : 29 April 2025

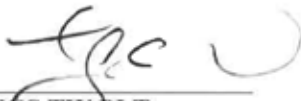
The Board of Directors  
**STEEL HAWK BERHAD**  
(Registration No. 202001043293 (1399614-A))  
23-2 & 25-2, Block H  
Dataran Prima, Jalan PJU 1/37  
47301 Petaling Jaya, Selangor

### Consent to act as Auditors

In accordance with Section 264(5) of the Companies Act 2016 in Malaysia, we are pleased to advise that we consent to act as auditors of your Company.

This consent is effective until withdrawn by us in writing.

Yours faithfully,

  
\_\_\_\_\_  
**TGS TW PLT**  
Chartered Accountants

Governance

Financial  
Statements

Other  
Information

# ADMINISTRATIVE GUIDE

## FOR THE FOURTH ANNUAL GENERAL MEETING ("4TH AGM")

Date	:	Tuesday, 24 June 2025
Time	:	10.00 a.m.
Venue	:	Majestic 2, Level 3, The Majestic Hotel Kuala Lumpur, No. 5, Jalan Sultan Hishamuddin, City Centre, 50000 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia

### 1. REGISTRATION ON THE DAY OF AGM

The registration counter will open at 8.00 a.m. at the AGM Venue on Tuesday, 24 June 2025. Members, proxies, attorneys, and corporate representatives are requested to present their original identification papers such as identity card (NRIC) (Malaysian), or police report (for loss of NRIC) or Temporary NRIC (Malaysian), or passport (Foreigner) during registration for verification purpose.

Please take note that no person will be allowed to register on behalf of another person, even with the original identification papers of that person. Upon verification, members, proxies, attorneys, and corporate representatives are required to write their names and sign on the Attendance List placed on the registration table.

Whether you are attending the AGM as a shareholder, proxy(ies), attorney(s) and/or corporate representative(s), you will be registered once and given only one wristband for voting purpose. Please take note that no person will be allowed to enter the AGM Venue without wearing the identification wristband. There will be no replacement in the event that you lose or misplace the identification wristband.

### 2. ENTITLEMENT TO PARTICIPATE AND APPOINTMENT OF PROXY

Only members whose names appear on the Record of Depositors on 13 June 2025 shall be eligible to attend, participate and vote at the AGM or appoint proxy(ies)/corporate representative(s)/attorney(s) to attend, participate and vote on his/her/its behalf. A member can appoint the Chairman of the Meeting as his/her proxy and indicate the voting instruction in the Proxy Form. A Member shall appoint not more than two (2) proxies to attend and vote at the AGM.

If you wish to participate in the 4<sup>th</sup> AGM yourself, please do not submit any Proxy Form as you will not be allowed to participate in the 4<sup>th</sup> AGM together with a proxy appointed by you. Accordingly, Proxy Forms and/or documents relating to the appointment of proxy(ies) or corporate representative(s) or attorney(s) for the 4<sup>th</sup> AGM whether in hard copy or by electronic means must be deposited or submitted in the following manner not later than **Sunday, 22 June 2025 at 10.00 a.m.**:

- (i) In the case of an appointment made in hard copy form, the Proxy Form duly completed must be deposited at the Share Registrar's office situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or deposit into the Drop-in Box located at Unit

## ADMINISTRATIVE GUIDE

### FOR THE FOURTH ANNUAL GENERAL MEETING ("4TH AGM")

G-2, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.

- (ii) By electronic means, the Proxy Form duly completed can be electronically lodged via TIIH Online website at <https://tiih.online>. The procedures for electronic lodgement of Proxy Form are as follows:-

PROCEDURE		ACTION
<b>FOR INDIVIDUAL MEMBERS</b>		
(a)	Register as a user with TIIH Online website	<ul style="list-style-type: none"> <li>Please access the website at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>Register as a user under the "e-Services" by selecting <b>"Create Account by Individual Holder"</b>. Please refer to the tutorial guide posted on the homepage for assistance.</li> </ul> <p><i>Note: If you are already a user with TIIH Online, you are not required to register again.</i></p>
(b)	Proceed with submission of Proxy Form	<ul style="list-style-type: none"> <li>After the release of the Notice of Annual General Meeting by the Company, login with your username (i.e. email address) and password.</li> <li>Select the corporate event: <b>"STEEL HAWK 4TH AGM - SUBMISSION OF PROXY FORM"</b>.</li> <li>Read and agree to the Terms and Conditions and confirm the Declaration.</li> <li>Insert your CDS account number and indicate the number of shares for your proxy(ies) to vote on your behalf.</li> <li>Indicate your voting instructions – FOR or AGAINST, otherwise your proxy(ies) will decide on your votes.</li> <li>Review and confirm your proxy(ies) appointment.</li> <li>Print the Proxy Form for your record.</li> </ul>
<b>FOR CORPORATION OR INSTITUTIONAL MEMBERS</b>		
(a)	Register as a user with TIIH Online website	<ul style="list-style-type: none"> <li>Please access the website at <a href="https://tiih.online">https://tiih.online</a>.</li> <li>Under the "e-Services", the authorised or nominated representative of the corporation or institutional member selects <b>"Create Account by Representative of Corporate Holder"</b>.</li> <li>Complete the registration form and upload the required documents.</li> <li>Registration will be verified, and you will be notified by email within one (1) to two (2) working days.</li> <li>Proceed to activate your account with the temporary password given in the email and re-set your own password.</li> </ul> <p><i>Note: The representative of a corporation or institutional member must register as a user in accordance with the above steps before he or she can subscribe to this corporate holder electronic proxy submission. Please contact our Share Registrar if you need clarifications on the user registration.</i></p>

# ADMINISTRATIVE GUIDE

## FOR THE FOURTH ANNUAL GENERAL MEETING ("4TH AGM")

PROCEDURE		ACTION
(b)	Proceed with submission of Proxy Form	<ul style="list-style-type: none"> <li>After the release of the Notice of Annual General Meeting by the Company, login with your username (i.e. email address) and password.</li> <li>Select the corporate event: <b>"STEEL HAWK 4TH AGM - SUBMISSION OF PROXY FORM"</b>.</li> <li>Read and agree to the Terms and Conditions and confirm the Declaration.</li> <li>Proceed to download the file format for "Submission of Proxy Form" in accordance with the Guidance Note set therein.</li> <li>Prepare the file for the appointment of proxies by inserting the required data.</li> <li>Login to TIIH Online, select corporate exercise: <b>"STEEL HAWK 4TH AGM - SUBMISSION OF PROXY FORM"</b>.</li> <li>Proceed to upload the duly completed proxy appointment file.</li> <li>Select "Submit" to complete your submission and print the submission report for your record.</li> </ul>

### 3. ADVANCE SUBMISSION OF QUESTIONS RELATING TO THE AGM AGENDA ITEMS

Shareholders of the Company may submit questions in advance relating to the agenda items of the 4<sup>th</sup> AGM via TIIH Online website at <https://tiih.online>, commencing from 30 April 2025, and no later than **10.00 a.m. on Sunday, 22 June 2025**. The Board will endeavour to answer at the AGM the questions received.

### 4. VOTING BY POLL

The voting at the 4<sup>th</sup> AGM will be conducted by poll in accordance with Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia"). The Company will conduct the poll by way of electronic voting (e-voting) provided by Tricor Investor & Issuing House Services Sdn. Bhd. ("Tricor").

Members, proxies, attorneys and corporate representatives can proceed to vote on the resolutions upon the announcement by the Chairman of the Meeting.

#### Steps to Vote:

- (1) Proceed to the designated polling kiosk.
- (2) Scan the QR code on your identification wristband.
- (3) Follow the on-screen instructions to cast your vote.

### 5. DOOR GIFT

Door gift will be distributed during registration and only **ONE (1)** door gift will be given to a registrant whether attending as member, proxy(ies), attorney(s) and/or corporate representative(s), irrespective of the number of shareholders represented. Where more than one (1) proxy/attorney/corporate representative is appointed by the same member, only ONE door gift will be given to the proxy/attorney/corporate representative who registers first.

## ADMINISTRATIVE GUIDE

### FOR THE FOURTH ANNUAL GENERAL MEETING ("4TH AGM")

#### 7. ANNUAL REPORT 2024

The Company's Annual Report 2024 is available on the Company's corporate website at <https://www.steelhawk.com.my/> and Bursa Malaysia's website at [www.bursamalaysia.com](http://www.bursamalaysia.com) under the Company's announcements.

You may request for a printed copy of the Company's Annual Report 2024 at <https://tiih.online> by selecting "Request for Annual Report" under the "Investor Services" or alternatively, request through telephone or e-mail to the Share Registrar via the contact details as set out in Note 9 below.

#### 8. NO RECORDING OR PHOTOGRAPHY

Unauthorised recording and photography are strictly prohibited at the Company's 4<sup>th</sup> AGM.

#### 9. ENQUIRY

If you have any enquiries on the above, please contact the Company's Share Registrar, Tricor Investor & Issuing House Services Sdn. Bhd. during office hours on Mondays to Fridays from 8.30 a.m. to 5.30 p.m. (except on public holidays):

##### Tricor Investor & Issuing House Services Sdn. Bhd.

General Line	:	+603-2783 9299
Fax Number	:	+603-2783 9222
Email	:	<a href="mailto:is.enquiry@vistra.com">is.enquiry@vistra.com</a>

#### **Personal Data Policy**

*By registering for the remote participation and electronic voting meeting and/or submitting the instrument appointing a proxy(ies) and/or representative(s), the member of the Company has consented to the use of such data for purposes of processing and administration by the Company (or its agents); and to comply with any laws, listing rules, regulations and/or guidelines. The member agrees that he or she will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.*



**STEEL HAWK BERHAD**202001043293 (1399614-A)  
(Incorporated in Malaysia)

CDS Account No.	No. of shares held

**PROXY FORM**

\*I/We \_\_\_\_\_ Tel: \_\_\_\_\_  
[Full name in block, NRIC/Passport/Company No.]  
of \_\_\_\_\_

being member(s) of **STEEL HAWK BERHAD**, hereby appoint:-

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
Address		No. of Shares	%

and / or\* (delete as appropriate)

Full Name (in Block)	NRIC/Passport No.	Proportion of Shareholdings	
Address		No. of Shares	%

or failing him/her, the Chairman of the Meeting, as my/our proxy to vote for me/us and on my/our behalf at the Fourth Annual General Meeting of the Company to be held at Majestic 2, Level 3, The Majestic Hotel Kuala Lumpur, No. 5, Jalan Sultan Hishamuddin, City Centre, 50000 Kuala Lumpur, W.P. Kuala Lumpur, Malaysia, on Tuesday, 24 June 2025 at 10.00 a.m. or any adjournment thereof, and to vote as indicated below:-

Ordinary Business	Resolution	For	Against
To approve the payment of Directors' fees and benefits of up to RM589,000.00 from 25 June 2025 until the conclusion of the next Annual General Meeting of the Company to be held in the year 2026.	Ordinary Resolution 1		
To re-elect Aznita Binti Abdul Aziz, who retires pursuant to Clause 78 of the Company's Constitution and who being eligible, has offered herself for re-election.	Ordinary Resolution 2		
To re-elect Dato' Sharman Kristy A/L Michael, who retire pursuant to Clause 76(3) of the Company's Constitution and who being eligible, has offered himself for re-election.	Ordinary Resolution 3		
To re-elect Salimi Bin Khairuddin, who retire pursuant to Clause 76(3) of the Company's Constitution and who being eligible, has offered himself for re-election.	Ordinary Resolution 4		
To appoint Messrs. TGS TW PLT as Auditors of the Company in place of the retiring Auditors, Messrs. KPMG PLT, and to hold office until the conclusion of the next Annual General Meeting in 2026 and to authorise the Directors to fix their remuneration.	Ordinary Resolution 5		
Special Business			
Authority to issue new ordinary shares pursuant to Sections 75 and 76 of the Companies Act 2016	Ordinary Resolution 6		

Please indicate with an "X" in the space provided whether you wish your votes to be cast for or against the resolutions. In the absence of specific direction, your proxy will vote or abstain as he thinks fit.

Signed this \_\_\_\_\_ day of \_\_\_\_\_

Signature\*  
Member

\* Manner of execution:

- (a) If you are an individual member, please sign where indicated.
- (b) If you are a corporate member which has a common seal, this proxy form should be executed under seal in accordance with the constitution of your corporation.
- (c) If you are a corporate member which does not have a common seal, this proxy form should be affixed with the rubber stamp of your company (if any) and executed by:
  - (i) at least two (2) authorised officers, of whom one shall be a director; or
  - (ii) any director and / or authorised officers in accordance with the laws of the country under which your corporation is incorporated.

**Notes:-**

1. A Member of the Company entitled to attend and vote at the meeting is entitled to appoint proxy(ies) or in the case of a corporation, to appoint representative(s) to attend and vote in his/her/its place. A proxy may but need not be a Member of the Company.
2. A Member shall appoint not more than two (2) proxies to attend and vote at the meeting.
3. Where a Member is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
4. Where a Member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account ("omnibus account"), there is no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.
5. Where a Member appoints more than one (1) proxy, the appointment shall be invalid unless he specifies the proportions of his/her/its holdings to be represented by each proxy. A proxy appointed shall exercise all or any of his/her/its rights to attend, participate, speak and vote at a meeting of the Company.
6. The Proxy Form must be signed by the appointor or his/her attorney duly authorised in writing or if the appointor is a corporation either under common seal or under the hand of an attorney or an officer duly authorised.
7. The appointment of a proxy may be made in a hard copy form or by electronic means in the following manner and must be received by the Company not less than forty-eight (48) hours before the time appointed for holding the AGM or adjourned general meeting at which the person named in the appointment proposes to vote:
  - (i) In the case of an appointment made in hard copy form, the Proxy Form duly completed must be deposited at the Share Registrar's office situated at Unit 32-01, Level 32, Tower A, Vertical Business Suite, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia or deposit into the Drop-in Box located at Unit G-2, Ground Floor, Vertical Podium, Avenue 3, Bangsar South, No. 8, Jalan Kerinchi, 59200 Kuala Lumpur, Malaysia.
  - (ii) By electronic means, the Proxy Form duly completed can be electronically lodged via TIH Online website at <https://tjih.online>. Please refer to the Administrative Guide for the AGM on the procedures for electronic lodgement of Proxy Form.
8. Last date and time for lodging the proxy form is on Sunday, 22 June 2025 at 10.00 a.m.

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AFFIX STAMP

The Share Registrar

**TRICOR INVESTOR & ISSUING HOUSE SERVICES SDN. BHD.**

Registration No.: 197101000970 (11324-H)

Unit 32-01, Level 32, Tower A, Vertical Business Suite  
Avenue 3, Bangsar South, No. 8, Jalan Kerinchi  
59200 Kuala Lumpur

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9. By submitting an instrument appointing a proxy(ies) and / or representative(s), the member accepts and agrees to the personal data privacy terms pursuant to the Personal Data Protection Act 2010 set out below:

By submitting an instrument appointing a proxy(ies) and / or representative(s) to attend, speak and vote at the AGM and / or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agent) for the purpose of the processing and administration of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agent) to comply with any applicable laws, listing rules, regulations and / or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and / or representative(s) to the Company (or its agent), the member has obtained the prior consent of such proxy(ies) and / or representative(s) for the collection, use and disclosure by the Company (or its agent) of the personal data of such proxy(ies) and / or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company (or its agent) in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.
10. In respect of deposited securities, only members whose names appear on the Record of Depositors on 13 June 2025, shall be eligible to attend, participate and vote at the AGM or appoint proxy(ies)/corporate representative(s)/attorney(s) to attend, participate and vote on his/her/its behalf.
11. Please bring an ORIGINAL of the following identification papers (where applicable) and present it to the registration staff for verification:
  - (a) Identity card (NRIC) (Malaysian); or
  - (b) Police report (for loss of NRIC)/ Temporary NRIC (Malaysian); or
  - (c) Passport (Foreigner).
12. For a corporate member who has appointed a representative instead of a proxy to attend this Meeting, please bring the ORIGINAL certificate of appointment executed in the manner as stated in the proxy form if it has not been lodged at the Company's registered office earlier.
13. Pursuant to Rule 8.31A of the ACE Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of 4<sup>th</sup> AGM will be put to vote by way of poll.

**STEEL HAWK BERHAD**

Registration No.: 202001043293 (1399614-A)  
23-2 & 25-2, Block H, Dataran Prima, Jalan PJU 1/37,  
47301, Petaling Jaya, Selangor.

Tel : +603 7880 7818

Fax: +603 7880 7535

Email: [contact@steelhawk.com.my](mailto:contact@steelhawk.com.my)

**[WWW.STEELHAWK.COM.MY](http://WWW.STEELHAWK.COM.MY)**